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ABSTRACT

This 5-year study is evaluating the Public Charter Schools Program (PCSP), a federal effort to help charter schools meet planning, startup, and early implementation costs. It is gathering local, state, and federal information about the program, documenting the evolution of the charter school movement. Researchers are studying the operations and impacts of the PCSP, characteristics of charter schools, and charter school flexibility and accountability. The 2000-01 study involved telephone surveys of nationally representative charter schools and charter school authorizers, site visits in six states, and secondary analysis of National Study of Charter Schools data. Most participating schools were newly created and were authorized by various entities. Schools served a range of grade levels and were generally smaller than traditional schools. Charter schools served diverse students, with predominantly white teachers. Charter authorizers tended to charter schools to create alternatives for students and parents, address specific student needs, and make schools or programs available to more students. Authorizers often had limited capacity to serve their schools. Most had several formal procedures to regulate the charter application process. Fewer than half of the schools were eligible to depart from laws and regulations governing noncharter public schools. Charter schools shared authority with multiple agencies and received support from a variety of sources. (Contains 10 references.) (SM)

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November 2002

A Decade of Public Charter Schools

Evaluation of the Public Charter Schools Program: 2000-2001 Evaluation Report

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EXECUTIVE SUMMARY

The Public Charter Schools Program (PCSP), established in 1994, represents the federal government's commitment to help charter schools meet planning, start-up, and early implementation costs. By helping charter schools overcome financial barriers, the PCSP is also designed to increase the number of charter schools nationwide. The PCSP is a discretionary grant program, administered by the Office of School Improvement Programs in the Office of Elementary and Secondary Education of the U.S. Department of Education. The program provides relatively unencumbered seed funding for states with charter school laws to distribute to charter school groups during the first 3 years of a charter school's existence. The PCSP appropriation for FY 2002 was $200 million.

Researchers at SRI International are conducting the first national evaluation of the PCSP for the U.S. Department of Education. In addition to gathering systematic information about the program at the local, state, and federal levels, the five-year study is documenting the evolution of the charter school movement. Data collection and analysis are driven by a series of evaluation questions on the operations and impacts of the PCSP, the characteristics of charter schools, charter school flexibility, and charter school accountability.

Since the first charter school opened in 1992 in Minnesota, the number of these schools has increased steadily. As of summer 2001, almost 2,000 charter schools were in operation in 34 states and the District of Columbia. As the movement has grown, it also has struggled. Stories began to emerge early about the difficulties that charter schools—particularly those that were being created from scratch—faced in their first months and years.

The National Evaluation of the PCSP: 2000-01 Data Sources and Key Findings

Information in the 2000-01 evaluation report is drawn from the following data sources:

- A telephone survey of a nationally representative sample of charter schools.
- A telephone survey of a nationally representative sample of charter school authorizers.
- Site visits to charter schools and charter school authorizers in six states.
- Secondary analysis of data from the National Study of Charter Schools, conducted by RPP International.

Data from these sources are organized under the report's four main chapter topics: the charter school movement, charter school accountability, flexibility and control, and support received from external agencies. The key findings from these chapters are summarized in the remainder of this executive summary.

The Charter School Movement: Characteristics of Charter Schools and Authorizers

The majority of charter schools in the 2000-01 sample (76 percent) were newly created, with smaller numbers of schools converted from either existing public schools or existing private schools. As allowed in individual state charter school statutes, charter schools are authorized by a variety of entities, including local education agencies, state-level education agencies, institutions of higher education, municipal governments, and special chartering agencies formed for the purpose of awarding charters. The majority of authorizers in the authorizer universe and our sample were local entities. However, these authorizers chartered a smaller proportion of schools compared with the other types of authorizers (states and universities).

Characteristics of charter schools, charter school teachers, and charter school students and parents. Charter schools, which tend to be smaller than regular public schools, serve a range of grade levels, often in unusual combinations. Most charter schools in the sample served grades K-8; in fact, the proportion of K-8 charter schools grew substantially from school year 1998-99 to 2000-01—from 16 percent of all charter schools to 29 percent. Most charter schools employed classroom-based instruction as their primary educational approach. The study team found that most teachers in charter schools were certificated for the subjects or grade levels they taught. Charter school teachers, like teachers in most public schools, were predominantly white. According to charter school leaders, a large proportion of teachers in charter schools had access to professional development opportunities, including workshops, release time to work with colleagues, and professional conferences.

Charter schools were serving diverse populations of students. On average, more than half of the students in charter schools were members of ethnic minority groups, 12 percent received special education services, and 6 percent were English language learners. Charter schools often targeted different populations of students than they actually attracted. For example, a relatively small proportion of schools targeted special education, gifted and talented, or low-performing students, but large proportions of respondents indicated that these groups were attracted to their schools.

More than half of the charter school respondents believed that particular features of their schools were powerful in attracting parents and students, including:

- Small school size
- Small classes
- A safe environment
- The quality of the academic program
- High achievement standards
- A specialized curriculum focus.

Parent involvement also is a key component of the charter school movement, and most charter schools reported that parents were involved in a wide variety of activities. From the perspective of charter school directors, parental satisfaction generally was high.

Characteristics of charter school authorizers. Charter authorizers, the agencies that approve and monitor charter schools, are an important aspect of the charter school movement. The study team explored what motivated authorizers and found that authorizers tended to charter schools to create alternatives for students and parents, to stimulate the development of schools that address particular student needs, and to make a school or program available to more students. Authorizers frequently had limited capacity to serve their schools, with few staff assigned to provide assistance. Like schools, charter authorizers faced a number of challenges or obstacles. The main challenges facing authorizers were:

- Inadequate finances
- Politics
- A lack of clarity around state charter laws and other laws and policies affecting charter schools.

The Multiple Levels of Charter School Accountability

The first stage in the charter school-authorizer accountability relationship involves the application and charter approval process. Most charter school authorizers have established a variety of formal procedures to regulate the charter application process, from public hearings to regular deadlines for submission. Local authorizers and authorizers that charter few schools tended to have fewer procedures than states or other authorizers that received many applications annually. In the application review process, charter school authorizers ascribed importance to numerous elements of the application. When charters were denied, authorizers reported that schools were denied primarily because of weaknesses in the areas of:

- Governance, management, and finances
- Curriculum and instruction.

The second stage of the accountability relationship is the ongoing monitoring of charter schools. Charter schools and authorizers had somewhat different perspectives on the monitoring process. Charter schools reported that they were most closely monitored by their own governing boards, followed by their authorizers. Slightly more than half of the school respondents indicated that their authorizers monitored their progress in the areas of:

- Performance on state student assessments
- Compliance with regulations
- Financial record keeping
- Special education services.

In contrast, the authorizers reported that, on average, they monitored these same areas, with the exception of special education services, in nearly all of the schools that they chartered.

The final stage of the accountability relationship is the charter renewal process. Of those charters that have come up for renewal, most schools have been renewed. Nonrenewal and revocation of a school's charter tended to be related to problems in the areas of finances and management, rather than student performance. However, nonrenewal is not the only sanction used by authorizers. Some authorizers have imposed lesser sanctions, such as placing a school on probation or preparing written documentation of concerns. As with nonrenewals and revocations, few schools have received such warnings. When the lesser sanctions have been applied, they have been linked to the same issues (finances and management) that lead to nonrenewal and revocation.

Flexibility and Control: The Contrasting Perceptions of Charter Schools and Charter School Authorizers

The 2000-01 data indicate that fewer than half of all charter schools were eligible to depart from the laws and regulations that applied to noncharter public schools. Among those charter schools given such freedoms, freedom from teacher certification and contract requirements was cited as "most important" to their operations. The majority of charter schools did not find federal regulations to be problematic. Those respondents who cited federal regulations as a barrier viewed special education rules and regulations as the most problematic area.

In general, charter schools had the greatest amount of authority over the day-to-day operations of the school. With the exception of teacher certification, a majority of charter schools reported full authority on all key issues. Interestingly, a higher proportion of newly created schools than of conversion schools reported full authority. Public school conversions, in particular, may have greater difficulty in breaking free of established dependencies or may even be reluctant to do so. For the most part, both schools and authorizers held similar perceptions regarding the areas over

which charter schools had authority, but authorizers reported that the charter schools had more authority than the schools themselves reported.

The authority relationships experienced by many charter schools are more complex than just the school-authorizer dyad. In fact, many schools reported that they shared decision-making authority with other agencies. Depending on the area of authority in question, charter schools may share authority with multiple entities, including states, authorizers, education management organizations, and other agencies. Overall, however, schools reported that authority was shared mostly with their authorizers and, to a lesser extent, with state education agencies.

Charter Schools and Support from External Agencies

In general, charter schools share authority with multiple agencies, but they also receive support from a wide variety of sources, including federal and state agencies, charter school authorizers, and, in some cases, for-profit and nonprofit organizations.

A source of financial support at the federal level is the Public Charter Schools Program. Fewer than two-thirds of operating charter schools reported that they had ever received PCSP funds. Some interesting trends with respect to distribution of PCSP funds were evident. For example, schools authorized by state boards of education were more likely than those authorized by local and university entities to receive PCSP funds.

Of those schools that reported that they had received PCSP funds, most reported that the money allowed them to do things that they otherwise might not have been able to do. More than half reported that PCSP funds allowed their school to either open or stay open. These findings indicate that the PCSP is providing important financial assistance to schools. Still, according to school leaders, the greatest barrier to charter school operations continued to be lack of adequate financial resources.

Authorizers also serve as a source of support to charter schools, primarily by offering their schools direct technical assistance, professional development, and staff training. Some authorizers also provide direct monetary or in-kind support or help their schools obtain these types of support and assistance from external groups. Beyond assistance, many authorizers provide specific services to their schools, from payroll and purchasing to special education services.

Relationships with for-profit education management organizations (EMOs) and nonprofit organizations are a source of support to some charter schools. Fewer than one-quarter of charter schools reported having relationships with either for-profit or nonprofit organizations, even though the majority of charter school authorizers allowed the involvement of these organizations in schools.

Finally, charter schools reported receiving additional assistance and information from a wide range of sources, including local, state, and federal entities. The majority of charter schools received technical assistance from their state education agencies and their authorizers. In addition, many schools received assistance from a charter school network, parents, and other charter schools.

Conclusion

The 2000-01 evaluation report documents charter school and charter school authorizer characteristics, accountability relationships, flexibility, and support relationships. The report also focuses on the Public Charter Schools Program as it operates at the charter school level. The findings presented in the evaluation report will help policy-makers, educators, researchers, and other interested parties understand the charter movement as it continues to grow and evolve.

CONTENTS

ACKNOWLEDGMENTS i

EXECUTIVE SUMMARY iii

The National Evaluation of the PCSP: 2000-01 Data Sources and Key Findings iii
The Charter School Movement: Characteristics of Charter Schools and Authorizers iii
The Multiple Levels of Charter School Accountability v
Flexibility and Control: The Contrasting Perceptions of Charter Schools and Charter School Authorizers v
Charter Schools and Support from External Agencies vi
Conclusion vi

INTRODUCTION. OVERVIEW OF THE EVALUATION AND THE 2000-01 REPORT 1

The Charter School Movement and the Public Charter Schools Program 1
The National Evaluation of the PCSP 2
Data Collection for 2000-01 3
Data Analysis for 2000-01 4
Organization of the Report 5

CHAPTER 1. THE CHARTER MOVEMENT, STARRING CHARTER SCHOOLS AND CHARTER SCHOOL AUTHORIZERS 7

Overview of the Charter Schools and Authorizers 7
A Look at the Schools Themselves 10
Background and Qualifications of Charter School Teaching and Instructional Staff 13
Characteristics of Students Who Attend Charter Schools 14
Parent Attitudes and Parent Involvement 19
A Look at Charter School Authorizers 21

CHAPTER 2. THE MULTIPLE LEVELS OF CHARTER SCHOOL ACCOUNTABILITY 27

Awarding Charters 27
Monitoring Charter Schools 30
Imposing Sanctions 37

CHAPTER 3. FLEXIBILITY AND CONTROL: THE CONTRASTING PERCEPTIONS OF CHARTER SCHOOLS AND CHARTER SCHOOL AUTHORIZERS 41

Charter School Flexibility Provisions 41
Charter School Authority and Control 42

CHAPTER 4. CHARTER SCHOOLS AND SUPPORT FROM EXTERNAL AGENCIES 50

Federal Financial Support: The Public Charter Schools Program 50
Relationship with Authorizers 58
Relationship with For-Profit and Nonprofit Agencies 61
Technical Assistance 65

CHAPTER 5. SUMMARY OF 2000-01 FINDINGS AND NEXT STEPS IN THE NATIONAL EVALUATION OF THE PUBLIC CHARTER SCHOOLS PROGRAM 67

The Charter School Movement 67
The Multiple Levels of Charter School Accountability 69
Flexibility and Control: The Contrasting Perceptions of Charter Schools and Charter School Authorizers 70
Charter Schools and Support from External Agencies 70
Next Steps for the National Evaluation of the Public Charter Schools Program 71

REFERENCES 73

CONTENTS (CONTINUED)

Exhibit I-1:	Primary Evaluation Questions	2
Exhibit 1-1:	Distribution of Charter School Authorizers, by Type	8
Exhibit 1-2:	Number of Charter Schools and Charter School States	9
Exhibit 1-3:	Authorizer Reports of Charter School Authorizing Activity, by Type of Authorizer	9
Exhibit 1-4:	Charter Schools by Grade-Level Configuration, 1998-99 and 2000-01	11
Exhibit 1-5:	Charter School Enrollment, by Grade-Level Configuration, 2000-01	12
Exhibit 1-6:	Teachers in Charter Schools, by Racial Category (As of School Year 2000-01)	13
Exhibit 1-7:	Professional Development Activities in Charter Schools	14
Exhibit 1-8:	Charter School Student Racial Categories, 1998-99 and 2000-01	15
Exhibit 1-9:	Student Populations Attracted to Charter Schools	17
Exhibit 1-10:	Student Populations Targeted by Charter Schools	17
Exhibit 1-11:	Charter School Admission Requirements	18
Exhibit 1-12:	Features of Charter School Programs That Attract Parents	19
Exhibit 1-13:	Parental Involvement Activities, by School Status	21
Exhibit 1-14:	Reasons Authorizers Sponsor Charter Schools	22
Exhibit 1-15:	Authorizer Networks	24
Exhibit 1-16:	Challenges and Barriers to Authorizers	25
Exhibit 2-1:	Elements Cited by Authorizers in Their Decisions to Issue Charters	29
Exhibit 2-2:	Charter Application Denial, by Authorizer Type	29
Exhibit 2-3:	Authorizers' Reasons for Denying Charter Applicants	30
Exhibit 2-4:	Charter School Perceptions of Agencies Responsible for Monitoring Schools	32
Exhibit 2-5:	Accountability Areas Monitored by Charter School Authorizers: School and Authorizer Perspectives	33
Exhibit 2-6:	School Reports of Measurable Goals	35
Exhibit 2-7:	Assessment Strategies Used by Charter Schools	36
Exhibit 2-8:	Monitoring Procedures for Charter and Regular Public Schools, as Reported by Authorizers	37
Exhibit 2-9:	Reasons Given by Authorizers for Revoking or Not Renewing Charters	38
Exhibit 2-10:	Reasons for Sanctions, as Reported by Schools	40
Exhibit 2-11:	Authorizers' Reasons for Placing Schools on Probation	40
Exhibit 3-1:	Areas for Which Charter Schools Reported Full Authority, Shared Authority, and No Authority	43
Exhibit 3-2:	Areas for Which Charter Schools Reported Full Authority, by School Type	44
Exhibit 3-3:	Entities with Which Charter Schools Reported Sharing Authority	45
Exhibit 3-4:	School and Authorizer Reports of Areas Where Charter Schools Have Full Authority	46
Exhibit 3-5:	School and Authorizer Reports of Areas of Shared Authority	47

CONTENTS (CONCLUDED)

Exhibit 3-6:	Reports of Shared Authority Decision-making between Schools and Authorizers ..	48
Exhibit 4-1:	Schools Receiving PCSP Funds, by Type of Subgrant	52
Exhibit 4-2:	Allocation of Start-up Subgrants and Dissemination Subgrants by Charter Schools	54
Exhibit 4-3:	Charter School Reports of the Impact of PCSP funds	55
Exhibit 4-4:	Charter Schools' Ratings of Difficulty in Overcoming Barriers	56
Exhibit 4-5:	Charter Schools' Mean Ratings of Difficulty in Overcoming Barriers, by School Type and PCSP Status	57
Exhibit 4-6:	Assistance Provided to Charter Schools by Authorizers	59
Exhibit 4-7:	Technical Assistance, Professional Development, or Staff Training Provided by Authorizers	59
Exhibit 4-8:	Specific Types of Assistance Provided by Authorizers to Charter Schools	60
Exhibit 4-9:	Financing Mechanisms for Services Provided by Authorizers	61
Exhibit 4-10:	Roles of For-Profit and Nonprofit Organizations in Charter Schools, as Reported by Schools and Authorizers	64
Exhibit 4-11:	Sources of Technical Assistance to Charter Schools	65

INTRODUCTION
OVERVIEW OF THE EVALUATION AND THE 2000-01 REPORT

The Public Charter Schools Program (PCSP), established in 1994, represents the federal government's commitment to help charter schools meet planning, start-up, and early implementation costs. By helping charter schools overcome financial barriers, the PCSP is also designed to increase the number of charter schools nationwide.

Researchers at SRI International are conducting the first national evaluation of the PCSP for the U.S. Department of Education (ED). In addition to gathering systematic information about the program at the local, state, and federal levels, the five-year study will continue to document the evolution of the charter school movement. Data collection and analysis for the SRI study are driven by a series of evaluation questions on the operations and impacts of the PCSP, the characteristics of charter schools, charter school flexibility, and charter school accountability.

This introduction briefly describes the charter school movement and the PCSP. In addition, it provides details about the study's data collection and analysis activities. Finally, it provides an overview of this report.

The Charter School Movement and the Public Charter Schools Program

Charter schools in the United States predate the PCSP and ED-sponsored research that helped determine the need for the planning, start-up, and early implementation funds authorized by the PCSP. Since the first charter school opened in 1992 in Minnesota, the number of these schools has increased steadily. As of summer 2001, almost 2,000 charter schools were in operation in 34 states and the District of Columbia.[1] As the movement has grown, it also has struggled. Stories began to emerge early about the difficulties that charter schools—particularly those that were being created from scratch—faced in their first months and years (RPP International & University of Minnesota, 1997). Depending on the requirements for state and local funding in a state's charter school legislation, groups seeking to open charter schools often were obliged to capitalize the planning and early development of their schools out of their own pockets or by incurring debt. Finding, renting or buying, and renovating space were particular barriers, according to early surveys of charter schools.

Federal interest in supporting the development of the charter school movement began in 1993, when President Clinton first proposed the Public Charter Schools Program and several Senators and Representatives proposed the Public Schools Redefinition Act. No action was taken, however, until the reauthorization of the Elementary and Secondary Education Act (ESEA) in 1994. At that time, the PCSP was enacted as Title X, Part C, of ESEA, with an initial appropriation of $6 million in FY 1995.

The PCSP is a discretionary grant program, administered by the Office of School Improvement Programs in the Office of Elementary and Secondary Education. The program is intended to support the planning, development, and initial implementation of charter schools, providing relatively unencumbered seed funding for states with charter school laws to distribute to charter school groups during the first three years of a charter school's existence. The statute also makes provision for individual charter schools to apply directly to the Secretary of Education for a grant if their states choose not to participate or have been denied a grant.

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[1] Although 36 states and the District of Columbia have enacted charter school laws, charter schools are not yet operating in all these states. In the remainder of this report, the District of Columbia is counted among the states with charter school laws (n=37) and operating charter schools (n=35).

Congress reauthorized the PCSP in 1998 by passing the Charter School Expansion Act of 1998 (P.L. 105-278). Eligibility for subgrants was expanded to include mature charter schools, which could apply for funds to disseminate promising school practices. The appropriation for FY 2001 was $190 million, a substantial increase in funding since the program began in 1995.

According to the authorizing legislation, the purpose of the Public Charter Schools Program is to "increase national understanding of the charter schools model by (1) providing financial assistance for the planning, program design and initial implementation of charter schools; (2) evaluating the effects of such schools, including the effects on students, student achievement, staff, and parents; and (3) expanding the number of high-quality charter schools available to students across the Nation" (Sec. 10301[b]).

In addition, the Secretary of Education is authorized "[t]o provide for. . . evaluations or studies that include the impact of charter schools on student achievement" and "[t]o provide . . . for the collection of information regarding the financial resources available to charter schools. . . " (Sec. 10305[a]). The research reported in this document was supported by PCSP funds set aside for research and other national activities.

The National Evaluation of the PCSP

SRI International began this first evaluation of the PCSP in October 1998. The PCSP legislation authorized an evaluation of the program, along with other national activities. The five-year study has two purposes: (1) evaluation of the rapidly growing Public Charter Schools Program and (2) continued documentation of the evolution of the charter school movement begun under the National Study of Charter Schools, conducted by RPP International.[2] This evaluation, which is based on an appreciation of the complexity of the charter school movement, includes data collection with multiple participants at the national, state, and local levels. Furthermore, the evaluation uses both quantitative and qualitative data to provide a more comprehensive picture of both the charter school movement and the use of PCSP funding.

The dual purposes of this evaluation are evident in the broad evaluation question clusters that guide the data collection, analysis, and reporting activities. Some questions are concerned specifically with the Public Charter Schools Program, and others are about the evolution of the charter school movement in a more general sense. Exhibit I-1 displays the primary evaluation questions for each cluster.

Exhibit I-1
PRIMARY EVALUATION QUESTIONS

How does the PCSP encourage the development of charter schools?
How do state PCSP grantees and charter school authorizers encourage the development of charter schools?
How do federally funded charter schools/school planners use their PCSP subgrants?
What are the characteristics of charter schools and the students and families who are involved with them?
What flexibility provisions are charter schools granted?
How do charter schools measure student performance, and are charter school students making progress on these and other measures?

[2] The National Study of Charter Schools tracked the development of charter schools nationwide from 1995 to 1999. This study produced four annual reports and a number of topical reports that are or will be available on-line. The fourth-year report is available at http://ed.gov/PDFDocs/4yrrpt.pdf.

The findings from the first year of data collection (1999-2000) have already been reported (U.S. Department of Education, 2000; http://ed.gov/offices/OUS/PES/chartschools/). Activities in 1999-2000 included telephone surveys of (1) state charter school coordinators in 36 states, Washington, D.C., and Puerto Rico (N=38); (2) representatives of agencies authorized to award charters to schools under state charter school laws (charter school authorizers) (n=48); and (3) directors of charter schools that received PCSP grants directly from the U.S. Department of Education (n=14). Data collection for 1999-2000 also included the extraction of information from federal files maintained on PCSP grantees, analysis of state charter laws, interviews with federal staff, and focus groups with charter school planners, operators, and authorizers.

Data Collection for 2000-01

The findings from 2000-01, the evaluation's second year of data collection, are reported in this document, and the data sources are described below. The data collection activities that will be used in later years to address particular evaluation questions are revisited in the last chapter of this report.

Telephone survey of charter schools. A simple random sample of 544 charter schools were surveyed from February to June 2001. The schools that were included in this sample were in operation as of September 2000. A total of 381 schools completed the survey, for a response rate of 70 percent. The typical respondent was the charter school's director, principal, or an equivalent administrator at the school, and each survey lasted approximately 60 minutes. The survey instrument incorporated a combination of open- and closed-ended items on charter school characteristics, operations, accountability processes, flexibility, and support. The telephone survey was designed by SRI International and administered by LHK Partners, Inc., a survey firm in Newtown Square, Pennsylvania. Members of the SRI evaluation team trained the LHK telephone interviewers on the survey instrument and the overall purposes of the evaluation. An analysis of the responses indicates that all states were represented in proportion to their share of the universe of charter schools.

Telephone survey of charter school authorizers. As of the summer of 2000, when the 2000-01 authorizer sample was selected, the universe of charter school authorizers that had awarded charters to schools included 457 agencies. A stratified random sample of 143 charter school authorizers were drawn from this universe. Type of authorizer was used to stratify the sample into four categories: local school board or district, or county board or office of education; state board of education, state education agency, or chief state school officer; university, college, or community college; and independent charter school board or some other type of authorizer (e.g., city council).[3] Although most charter school authorizers are local education agencies, state, university, and independent authorizers were oversampled to be able to provide more robust comparisons across authorizer types. Furthermore, state and university authorizers are important because they tend to charter more schools than local education agencies do (see Chapter 1 for more details on the number of schools chartered, by type of authorizer).

The authorizer survey was administered at the same time as the school survey (February to June 2001),[4] and the interviews were also conducted by LHK Partners, Inc. A total of 100 authorizers completed the telephone survey, for a response rate of 70 percent. Like the telephone survey of charter schools, the survey of charter school authorizers took about an hour to complete.

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[3] The fourth category, *independent charter school board or some other type of authorizer*, was dropped from the analysis because none of the authorizers sampled in this category responded to the survey. Therefore, the analyses reported in this document reflect the three remaining categories.

[4] Data collection was reopened in June 2001 to attain the 70 percent response rate required by the U.S. Department of Education's Policy and Program Studies Service. Authorizer nonrespondents in the original sample were contacted again until the required response rate was achieved.

The authorizer survey instrument was designed by SRI International and piloted in the first year of the study with an exploratory, purposive sample of authorizers (n=48). The instrument was revised slightly and new items were added on the basis of the 1999-2000 findings. Authorizer survey questions were designed to document charter school authorizers' characteristics and accountability relationships with charter schools. The survey also included items on authorizer roles in supporting and assisting charter schools, along with the types of freedoms authorizers confer on their charter schools. Information on these topics was elicited through a combination of open- and closed-ended items.

Site visits to charter schools and charter school authorizers. During the 2000-01 school year, site visits were made to seven charter schools in six states: Arizona, California, Massachusetts, Michigan, North Carolina, and Texas. While conducting these visits, the team members interviewed representatives of the schools' charter authorizers, along with representatives of two education management organizations (EMOs) that play important roles in two of the schools. The seven sites visited in 2000-01 represent a wide range of educational approaches, from a program based on business and economics to one linked to a local museum. Four of the schools served students in elementary or middle school (K-5, K-8, or 6-8), two served students in middle or high school (6-10 or 9-12), and one served K-12. In general, the schools served diverse groups of students, ranging from 13 percent to 100 percent minority enrollment, and had total enrollments from 166 to 430 students. Two sites had multiple campuses.

Secondary analysis of RPP data. As part of the PCSP evaluation, SRI conducted secondary analyses of RPP International data from the National Study of Charter Schools 1996-1999. The analysis focused primarily on data regarding the PCSP and federal assistance to charter schools. RPP surveys included questions about the proportion of schools receiving subgrants, characteristics of schools that receive subgrants within states, the accessibility of federal technical assistance to charter schools, the existence of start-up barriers, and flexibility provisions granted to charter schools. In this report, RPP data from the 1998-99 school year are frequently compared with findings from this study's 2000-01 survey of charter schools.

Data Analysis for 2000-01

Data analysis for this report includes analyses of both the qualitative data and the quantitative data listed above. For the quantitative analysis, once data were collected and tabulated, a variety of data analyses were performed. Both the school and the weighted authorizer data are generalizable to their respective universes. Schools were sampled randomly; therefore, no weighting was necessary. On the other hand, some types of authorizers were oversampled; therefore, the authorizer data were weighted to correct for different sampling ratios across these types.[5] These weighted percentages and means are used throughout this report, resulting in aggregate data that are generalizable to the universe of authorizers. However, for ease of reference, the unweighted number of respondents is provided in all tables (i.e., a total "n" of 100 is listed in the tables rather than a total "n" of 457).

For both surveys, the types of authorizers were combined for both technical and conceptual reasons, mainly to increase the numbers of authorizers of different types. The resulting new types consist of "local authorizers," which combines local education agencies and county boards or offices of education; "state authorizers"; and "university authorizers." In several cases, "state authorizers" and "university authorizers" were combined to form a new category, "non-local

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[5] The percentages and means for aggregate authorizer data were calculated after the following weights were applied: local authorizers 5.3, state authorizers 1.2, and university authorizers 3.0.

authorizers." Independent or special charter boards were dropped from both analyses because of the low incidence in each sample.[6]

The quantitative analysis includes descriptive statistics and cross-tabulations. The cross-tabulations at times involve particular survey items. Frequently, however, certain characteristics of schools or authorizers were cross-tabulated against the rest of the data set. For example, the school survey data were analyzed by type of school—newly created or conversion—and grade-level configuration. In addition, both school and authorizer data were analyzed by type of authorizer, using the three categories discussed above. Finally, a variety of significance tests were conducted on both data sets, including analysis of variance, chi-squared tests, and Fisher's exact tests.[7]

Although the majority of this report is based on quantitative data, qualitative data are used to help explain some of the quantitative findings and provide examples to strengthen the discussion. For the qualitative analysis, each site visit team wrote a site visit report after completing the visit, and a full-day site visitor debriefing meeting was held to discuss the first round of visits. In addition, open-ended survey questions were coded and analyzed by team members.

Organization of the Report

The 2000-01 data in this report paint a comprehensive picture of a number of issues that are of current importance to the charter school movement, to the Public Charter Schools Program, and to policy-makers: the characteristics of schools and authorizers, school and authorizer perspectives on accountability and their perspectives on flexibility, and the financial and technical support provided to charter schools. These four topics serve as the report's main organizational framework in addressing the study's evaluation questions. Within these broad issues, many of the evaluation's guiding questions, as well as other important questions for which the SRI study team gathered data in 2000-01, are answered.

Following this Introduction, Chapter 1 describes the charter school movement, including characteristics of schools and authorizers. Chapter 2 focuses on the multiple levels of charter school accountability. Chapter 3 examines charter school flexibility and control. Chapter 4 describes the support charter schools receive from external agencies. The report concludes with Chapter 5, which summarizes the study findings and provides information on the evaluation team's plans for future rounds of data collection, analysis, and reporting.

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[6] Fewer than 5 percent of the schools in the 2000-01 sample were authorized by independent or special chartering boards or other authorizers, and those schools were dropped from the analyses of the school data by authorizer type. No authorizer respondents characterized their agencies as independent or special chartering boards.

[7] Fisher's exact test was used when, because of small cell sizes, chi-squared was not appropriate. Fisher's exact test was used on unweighted authorizer data.

CHAPTER 1
THE CHARTER MOVEMENT, STARRING CHARTER SCHOOLS AND CHARTER SCHOOL AUTHORIZERS

In this chapter, the basic characteristics of charter schools and charter school authorizers are described in detail. Data for these descriptions are drawn from the surveys of charter schools and charter school authorizers, along with the first round of site visits conducted in the 2000-01 school year. Several references are made to study data from 1999-2000 data collected by SRI, data from the National Study of Charter Schools conducted by RPP International, and—for comparison with aggregate charter school data—selected national statistics for all public schools. The chapter begins with an overview of charter schools and how they are started. The characteristics of students and teachers in charter schools are also described. The authors then examine the features that attract parents and the ways in which parents are involved in charter schools. The final section of the chapter describes charter authorizers, why authorizers decide to charter schools, authorizer capacity to support charter schools, and the barriers that hinder their work.

The subsection headings in this and later chapters take the form of evaluation questions, which are answered in the summaries, text, and tables that follow.

Overview of the Charter Schools and Authorizers

The perspectives of both charter schools and charter school authorizers are important for understanding the evolving charter school movement. As described in the introduction, the charter school and charter school authorizer samples were drawn randomly from the universe and are therefore generalizable to the respective populations.[8] This overview section begins with responses to a series of evaluation questions about entities that authorize charter schools, the development of charter schools over time, the volume of chartering activity by authorizers, and the types of schools and authorizers.

Which entities authorize charter schools?

> *Charter schools are "authorized" by local education agencies, state-level education bodies or boards, institutions of higher education, and "other" entities such as municipal governments and special chartering agencies formed for the purpose of awarding charters. As of summer 2000, when the 2000-01 authorizer sample was drawn, 457 authorizers had awarded one or more charters. The majority of authorizers are local agencies, but other types of authorizers have chartered more schools.*

The state laws that allow the formation of charter schools specify the types of public agencies that are permitted to award, or "authorize," charters. Different states allow different combinations of charter school authorizers, and the overall list of types of authorizers includes local education agencies (LEAs); county offices of education; state education agencies (SEAs); institutions of higher education, such as universities and colleges; special chartering boards, typically statewide bodies; and municipal governments. Within these types are further subcategories. For example, state-level charter authorizing authority may be vested in the state board of education or the chief state school officer.

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[8] The authorizer sample was randomly drawn within cells representing different authorizer types. Because some types were oversampled, the data were then weighted accordingly and are generalizable to the universe of authorizers.

The distributions of charter school authorizer types in the universe and the sample, as well as the number of respondents by type, are displayed in Exhibit 1-1. Note that a very large proportion of active charter school authorizers (90 percent) are local authorizers; very few are state (4 percent) and university (6 percent) authorizers. As will be documented in the next section, however, the number of schools chartered by state and university authorizers is higher, on average, than the number chartered by local authorizers.

Exhibit 1-1
DISTRIBUTION OF CHARTER SCHOOL AUTHORIZERS, BY TYPE

Type of Authorizer	Number of Authorizers		
	Universe (as of Summer 2000)	Sample (n=143)	Respondents (n=100)
Local school boards or districts, county boards or offices, intermediate school districts	409	114	77
State boards of education, state education agencies, chief state school officers	17	17	14
Universities, colleges, community colleges	27	10	9
Other, including independent or special charter school boards and municipal governments	4	2	0
Total	457	143	100

How has the charter school movement grown over time, and what is the volume of charter school authorizer activity?

The number of charter schools has increased steadily for the past decade, although the rate of growth has slowed in recent years. The volume of activity by charter school authorizers is closely related to whether the authorizer is a local, state, or university authorizer.

Since the first charter school opened in 1992 in Minnesota, the number of these schools has steadily increased nationwide. As illustrated in Exhibit 1-2, only two schools were operating in one state during the 1992-93 school year, compared with 1,988 schools operating in 35 states during 2000-01. The numbers of states and charter schools have begun to plateau in recent years.

Exhibit 1-2
NUMBER OF CHARTER SCHOOLS AND CHARTER SCHOOL STATES

Beginning of School Year	Number of States with Charter School Laws	Number of States with Charter Schools	Number of Charter Schools	Source
1992-93	2	1	2	Nelson et al. (2000). (Note: Data include Washington, D.C., starting in 1996-97.)
1993-94	8	3	36	
1994-95	11	6	100	
1995-96	18	10	254	
1996-97	26	17	432	
1997-98	30	24	721	
1998-99	34	28	1,122	
1999-2000	37	32	1,613	SRI data collection. (Includes Washington, D.C.)
2000-01	37	35	1,988	

Every charter school has a charter school authorizer, and many charter school authorizers have chartered more than one school. At the time of the 2000-01 telephone surveys, the average number of charter schools in operation per authorizer was three. As indicated in Exhibit 1-3, authorizers reported wide variation in the stages of development for charter schools, as well as wide ranges of numbers of schools at each stage of development. In fact, the relationship between the mean number of schools in each category (e.g., schools in operation) and the type of authorizer was statistically significant. Local authorizers had a much lower number of schools at each stage of development, on average, than other types of authorizers, including states and universities. States, by far, had the highest number of schools in each stage of development, as Exhibit 1-3 shows.

Exhibit 1-3
AUTHORIZER REPORTS OF CHARTER SCHOOL AUTHORIZING ACTIVITY, BY TYPE OF AUTHORIZER

	Mean Number of Charter Schools				
	Schools in Operation***	Schools in Planning Stage***	Schools Chartered but Never Opened***	No Longer a Charter School but Operating as a Noncharter School**	Charter School Closed and Not Operating***
Local (n=77)	2.21	0.29	0.05	0	0.12
State (n=14)	30.56	7.50	3.90	0.09	1.82
University (n=9)	7.88	0.33	0.11	0	0
Total (weighted) (n=100)	3.24	.45	.16	0	0.16

**p<.05, ***p<.01

How many charter schools are newly created versus public or private school conversions?

Most charter schools were newly created (76 percent). Smaller numbers of schools were converted from existing public schools (15 percent) and existing private schools (8 percent).

Just as state charter school laws specify what types of authorizers can award charters, these laws also specify what types of schools are allowed. In the charter school context, "school type" refers to newly created schools, public school conversions, and private school conversions.[9] A newly created school is started from scratch; a conversion charter school is established when an existing public or private school or program is "converted" to a charter school. Study data for school year 2000-01 are consistent with school reports from past years: most charter schools (76 percent) were newly created schools, but 15 percent were converted from existing public schools and 8 percent from existing private schools.

A Look at the Schools Themselves

The "typical" charter school does not exist, and the individual institutions called "charter schools" can differ as much from each other as from the noncharter schools with which they are often compared. Many charter schools do not look much different from nearby noncharter public schools; many others are attempting to reinvent the educational process from the ground up. Some charter schools are established to provide a public school alternative to noncharter schools; others are closely aligned with existing public school programs. The variation in the basic characteristics of charter schools is an important feature to keep in mind when considering the aggregate features of charter schools in general.

In this section, descriptive data on several charter school characteristics are presented. Evaluation questions on grade-level configurations, student enrollment and demographics, and educational approaches are addressed by the data presented in this section. In some cases, the report provides national public school statistics (e.g., from NCES) for comparison with the aggregate charter school data reported here. Past charter school data are also cited, when appropriate.

What grade levels and how many students do charter schools serve?

Charter schools serve a range of grade levels, often in unusual combinations. Most charter schools serve grades K-8. Charter schools tend to be smaller than other schools. The mean student enrollment for charter schools surveyed in 2000-01 was 283. The proportion of charter schools serving grades K-8 grew substantially from school year 1998-99 to 2000-01.

There is great variation in grade span and school size among charter schools. Exhibit 1-4 shows the distribution of charter schools by grade-level configuration for 1998-99 and 2000-01. In 2000-01, the highest percentage of charter schools served grades K-8; half of all charter schools were either K-8 (29 percent) or elementary schools (21 percent). Like other public schools, charter schools span primarily grade pre-K or kindergarten to grade 8. Fifty-eight percent of all public schools spanned grades pre-K or kindergarten to grade 8 (Hoffman, 2001) in the 1999-2000 school year, compared with 52 percent of charter schools in 2000-01.

Compared with the data collected from charter schools by RPP International in spring 1999 (Nelson et al., 2000), the proportion of K-8 charter schools has increased and the proportions of

[9] Types of charter schools allowed, by state, can be found in SRI International's 1999-2000 evaluation report for this study (U.S. Department of Education, 2000, Appendix A).

primary and elementary schools have decreased. This pattern may be the result of charter schools' adding grade levels as students progress, as was the case in one of the schools the team visited during the site visits. These trends are illustrated in Exhibit 1-4.

Exhibit 1-4
CHARTER SCHOOLS BY GRADE-LEVEL CONFIGURATION, 1998-99 AND 2000-01

Grade-Level Configuration	Percentage of Charter Schools Surveyed in:	
	1998-99 (n=975)	2000-01 (n=381)
K-8	16	29
Elementary	25	21
High	17	18
Middle-high	10	11
Middle	10	9
K-12	8	8
Primary	8	2
Other	5	2

Note: Grade levels follow conventions established by RPP International's earlier reports on charter schools and are defined as follows: Primary includes only grades K-3; Elementary begins with K and goes no higher than grade 6; Middle ranges from grade 5 to grade 9; Middle-high includes any of grades 6-8 and any of grades 9-12 and no grades K-5; High ranges from grade 9 to grade 12; K-8 includes any of grades K-3, any of grades 4-6, and any of grades 7-8; K-12 includes any of grades K-3, 4-6, any of grades 7-8, and any of grades 9-12.
Sources: 1998-99 data: Nelson et al. (2000); 2000-01 data: SRI 2000-01 charter school survey.

School size is an important statistic for charter schools. The median number of students in charter schools has been consistently lower than that in all public schools. In addition, as discussed later in this chapter, charter schools reported that small school and class sizes were powerful features in attracting families to charter schools. When compared with all other public schools, charter school size has remained relatively small over the past two years. The median student enrollment in charter schools surveyed in 1998-99 was 137, compared with a median enrollment of 475 for all public schools (Nelson et al., 2000, p. 20). The median enrollment in charter schools surveyed in 2000-01 was 171. Elementary charter school sizes ranged from 27 to 1,374, with a mean enrollment of 352. High schools ranged in size from 10 to 1,550, with a mean enrollment of 152. The greatest variation in school size was found among K-12 schools; the narrowest range was among the small number of primary schools in the sample (Exhibit 1-5).

Exhibit 1-5
CHARTER SCHOOL ENROLLMENT, BY GRADE-LEVEL CONFIGURATION, 2000-01

Grade-Level Configuration	Number of Schools	Median	Mean	Standard Deviation	Range	
					Minimum	Maximum
All schools	*376*	*171*	*283*	*399*	*3*	*4,075*
K-12	29	345	581	936	38	4,075
Elementary	80	192	352	331	27	1,374
K-8	111	230	293	270	15	2,038
Middle-high	15	122	234	460	3	2,903
Middle	35	155	183	248	8	1,500
High	68	100	152	219	10	1,550
Primary	9	131	163	83	66	327

Note: Grade levels are defined as follows: Primary includes only grades K-3; Elementary begins with K and goes no higher than grade 6; Middle ranges from grade 5 to grade 9; Middle-high includes any of grades 6-8 and any of grades 9-12 and no grades K-5, High ranges from grade 9 to grade 12; K-8 includes any of grades K-1, any of grades 4-6, and any of grades 7-8; K-12 includes any of grades 4-6, any of grades 7-8, and any of grades 9-12.

Overall, 57 percent of charter schools enrolled 200 students or fewer and 29 percent enrolled 100 students or fewer. Only 14 percent enrolled more than 500 students, and 4 percent enrolled more than 1,000 students. Compared with charter schools in 1998-99 (Nelson et al., 2000), about four times as many charter schools were enrolling 1,000 or more students in 2000-01. This pattern may be related to the increase in charter schools serving many grade levels (e.g., K-8).

According to the 2000-01 charter school survey, the student-teacher ratio in charter schools, a proxy for class size, had a median of 12:1. In 1998-99, the median student-teacher ratio was 16:1. Thus, average charter school class sizes appear to have decreased by 25 percent since 1998-99.

What kinds of educational approaches are charter schools implementing?

Most charter schools relied on classroom-based instruction as their primary educational approach. Community service; multi-aged, ungraded classrooms; and use of technology also were widely reported approaches.

Charter schools used a variety of educational approaches, the primary mode of delivering instruction being classroom-based instruction (83 percent). The same percentage (83 percent) incorporated "extensive" community service projects into their programs. Multi-aged, ungraded classrooms were used by 66 percent of the schools.

Small proportions of charter schools used work and/or community-based learning (9 percent) and distance learning (2 percent) as primary modes of instruction. Fewer than 1 percent used home-based instruction.

The great majority (95 percent) of schools reported using technology extensively, although it is not clear what technologies (e.g., computers) were used or how "extensively." Data from the first round of site visits suggest considerable variation in the use of computers in the classroom. One school shared an extensive, state-of-the-art computer training facility with an adult education program and placed several students in computer industry jobs. The facility was available to, and appeared to be used by, most students. On the other hand, some of the site visit schools were not emphasizing instructional computer use.

Background and Qualifications of Charter School Teaching and Instructional Staff

Charter schools usually are portrayed as schools of choice: parents, students, and teachers choose to attend or work in charter schools. To many observers, the characteristics of the charter school teachers are as interesting and important as the characteristics of charter school students. This section describes the demographics, qualifications, and professional development of teachers in charter schools. Comparisons with data for all public school teachers are made in a few cases. Professional development opportunities for charter school teachers are also explored in this section, including the types of professional development opportunities available to teachers and the extent to which these opportunities are provided to all teachers or some teachers in individual schools.

What are the qualifications and demographic characteristics of teachers in charter schools?

Teachers in charter schools were predominantly certificated for the subjects or grade levels that they taught. Like the teachers in most public schools, charter school teachers were predominantly white.

Although many states allow charter schools to hire teachers without certification, almost three-quarters (74 percent) of full-time staff in charter schools, on average, had state certification for the subjects or grade levels that they taught, according to charter school directors. In addition, 8 percent had special education credentials, and 11 percent had bilingual credentials. One explanation for the preponderance of certificated charter school teachers may be that charter schools receive pressure from parents to recruit and hire certificated teachers, even though they may not be required to do so. Another explanation, suggested by one of the site visit respondents, was that the teachers with the qualifications sought by the school tended to be credentialed.

Charter school teachers, like teachers in public schools generally, were primarily white. On average, 70% of charter school teachers were white. Although precise comparisons with national data are not possible, it appears that charter schools have smaller proportions of white teachers than public schools overall.[10] Exhibit 1-6 presents the average percentage of teachers in each racial category in 2000-01.

Exhibit 1-6
TEACHERS IN CHARTER SCHOOLS, BY RACIAL CATEGORY
(AS OF SCHOOL YEAR 2000-01)

Racial Category	Average Percentage of Teachers (n=370)
White	70
Black or African American	18
Hispanic or Latino	8
American Indian or Alaska Native	1
Asian	<1
Native Hawaiian or other Pacific Islander	<1
Other	<1

[10] National data are not necessarily comparable to SRI's school data because SRI relied on the average percentage of teachers in each racial category, compared with NCES's reliance on the total number of teachers as the base for calculation. According to a National Education Association survey on selected characteristic of public school teachers, in 1996, 91 percent of teachers were white, 7 percent were African American, and 2 percent were "other." (Source: National Center for Education Statistics, 2002b).

What types of professional development opportunities are available for teachers in charter schools?

Professional development activities in charter schools tended to consist of workshops sponsored by the school, release time to work collaboratively with colleagues, and professional conferences.

A variety of professional development opportunities were available for teachers in charter schools. Exhibit 1-7 indicates the percentages of schools reporting the involvement of their teachers in different kinds of professional development activity. For example, in 80 percent of charter schools, from 76 percent to 100 percent of teachers participated in workshops sponsored by the school. Sixty-four percent of charter schools reported that more than half of the teachers used release time to work collaboratively with other instructional staff at their school. Sixty-two percent reported that more than half of the teachers participated in professional conferences or workshops. Smaller proportions of teachers participated in peer observation and critique and in independent professional development, according to charter school respondents.

The site visit data indicate interesting attitudes about professional development for charter school teachers. In one school, both the authorizer and the school leadership were concerned about the school's large number of noncertificated teachers. The authorizer—a nearby school district, in this case—made its own professional development activities available to the school and helped the school arrange additional staff training opportunities. The school principal and teachers appreciated these opportunities and regularly took advantage of them.

Exhibit 1-7
PROFESSIONAL DEVELOPMENT ACTIVITIES IN CHARTER SCHOOLS

Professional Development Activity	Percentage Range of Teachers Participating:				
	0	1-25	26-50	51-75	76-100
	Percentage of Schools (n=377)				
Workshops sponsored by your school	7	5	5	2	80
Release time to work collaboratively with other instructional staff at your school	13	14	8	6	58
Professional conferences or workshops	3	17	17	11	51
Workshops sponsored by your charter school authorizer	20	22	14	6	36
Peer observation and critique	19	24	16	8	31
Release time for independent professional development activities other than workshops and conferences	27	27	13	6	24

Characteristics of Students Who Attend Charter Schools

Charter school researchers and other observers are interested in the characteristics of students who attend charter schools, how the demographics of charter school teachers and students compare, and how charter school students compare with students from other schools. The answers to these and other evaluation questions are presented in this section.

What are the demographic characteristics of students in charter schools, compared with (1) the teaching and instructional staff within the school and (2) students in the traditional public schools in their surrounding areas?

> *On the whole, slightly more than half of the students in charter schools were members of ethnic minority groups. On average, the proportion of white students in charter schools was smaller than the proportion of charter school teachers who were white and smaller than the proportion of students in all public schools nationally who were white.*

On average, charter school student populations were approximately 53 percent ethnic minority. The average percentage of white students in charter schools has decreased slightly, to 47 percent from the 50 percent figure reported by RPP for the 1998-99 school year (Nelson et al., 2000). Conversely, the average percentage of African Americans has increased slightly (from 27 percent of the student population in charter schools in 1998-99 to 30 percent in 2000-01). Exhibit 1-8 displays these comparisons for all racial groups.

Exhibit 1-8
CHARTER SCHOOL STUDENT RACIAL CATEGORIES, 1998-99 AND 2000-01

Racial Category	Average Percentage of Students Enrolled	
	1998-99 (n=975)	2000-01 (n=377)
White	50	47
Black or African American	27	30
Hispanic or Latino	16	17
American Indian or Alaska Native	4	3
Asian[a]	2	2
Native Hawaiian or other Pacific Islander[a]	[b]	1
Other	1	<1

[a]Racial categories were based on current census categories and may differ somewhat from RPP categories.
[b]Not reported.
Sources: 1998-99 data: Nelson et al. (2000); 2000-01 data: SRI 2000-01 charter school survey.

In the preceding section of this chapter, data were presented on the racial and ethnic backgrounds of teachers in charter schools. How do the racial makeups of charter school teachers and students compare? For the most part, the two groups do not match each other. That is, higher proportions of teachers than of students in charter schools tended to be white (the aggregated racial distribution of charter school teachers is presented in Exhibit 1-6 above). The instructional staff teaching in charter schools were 70 percent white, whereas only 47 percent of charter school students were white, on average. This finding is consistent with national comparisons of teachers and students in regular public schools. In addition, there was greater variety in the ethnic and racial backgrounds of charter school students than in the backgrounds of teachers. The proportion of white students in charter schools was lower than the proportion in regular public schools nationwide, where 62 percent of students were white in 1999-2000, compared with 47 percent of students in charter schools during school year 2000-01.[11]

Although national data comparisons provide an interesting perspective on the students in charter schools, it is important to note that the racial and ethnic composition of students in both charter schools and all public schools varies greatly by state—and within states.

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[11] The national figures for all groups in 1999-2000, according to *The Condition of Education 2002*, were: 61.9 percent white, 16.5 percent black, 16.2 percent Hispanic, 5.5 percent other (National Center for Education Statistics, 2002a).

Besides race and ethnicity, there are other important indicators of students' characteristics. One of these is poverty. A common indicator of a school's poverty level is the percentage of students who are eligible for free or reduced-price lunch. The 2000-01 data indicate that nearly all charter schools (94 percent) had students who were eligible for free or reduced-price lunch. The average percentage of eligible students in each charter school was 54 percent. Although nearly all schools had eligible students, fewer schools (63 percent) actually participated in the National School Lunch Program. In past charter school research, the study team has found that schools sometimes do not participate because they do not know how to apply for these funds or they have very few or no students who are eligible. It is also possible that schools are participating in the district food service program and do not know whether the district is participating in the National School Lunch Program.

Two other student characteristics are important for understanding how charter and noncharter schools compare: the proportion of students in special education and the proportion of students designated as limited English proficient. On average, approximately 12 percent of charter school students had Individualized Education Programs (IEPs) for special education services.[12] This number is comparable to the percentage of students enrolled in special education programs nationwide (13 percent).[13] Interestingly, schools that had been in operation longer reported a greater proportion of IEPs than newer schools. This finding indicates that a school may be more likely to provide special education services to students after the school has fully implemented its program. In addition to special education students, charter schools reported that 6 percent of their students, on average, are limited English proficient (LEP). The national figure for LEP students is 9 percent.[14]

What student populations are attracted to and targeted by charter schools?

> *Issues regarding students attracted to charter schools and those who are actually targeted by the schools are distinct but related. Types of students who were most frequently attracted to charter schools included low-performing students, students from low-income communities, gifted and talented students, and special education students. In most cases, fewer than one-third of these schools were actually targeting the populations that they attracted.*

Many charter schools are designed to appeal to particular groups of students. Several examples of student types targeted by charter schools come from the first round of site visits: potential dropouts, students interested in moral education, and students interested in private enterprise. Many schools set out to serve students who the founders believe are not well served by traditional programs. Regardless of whether schools explicitly target a population of students, charter schools also can be viewed as attracting a certain type of student. The characteristics of students who are targeted by charter schools and students who are attracted to charter schools are the focus of this section.

Exhibit 1-9 identifies the percentages of schools reporting that specific student populations were attracted to charter schools. High proportions of school survey respondents reported that low-performing students (79 percent) and students from low-income communities (75 percent) were attracted to their schools. In addition, more than half of charter schools reported that gifted and talented students (63 percent), special education students (61 percent), dropouts or potential dropouts (51 percent), and students with specific academic interests (52 percent) are attracted to

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[12] In a separate item, school respondents were asked what percentage of students received special education services prior to enrolling in the charter school. On average, 11 percent of students were reported to have received special education services before enrolling at their present school.

[13] National figures on special education are from National Center for Education Statistics (2001).

[14] National figures on limited English proficiency are from http://www.ncela.gwu.edu/askncela/01leps.htm.

their schools. Fewer than half of the schools attracted students of a particular cultural orientation (40 percent) and limited- or non-English-speaking students (30 percent). When respondents reported that they attracted a specific student population, they were asked if they targeted the same population. In most cases, as illustrated in Exhibit 1-10, fewer than one-third of the schools were, in fact, targeting the students that they attracted. Slightly more than one-third of the schools that attracted students from low-income communities and low-performing students also targeted these students.

Exhibit 1-9
STUDENT POPULATIONS ATTRACTED TO CHARTER SCHOOLS

Attracted Student Population	Percentage of Schools (n=377)
Dropouts or potential dropouts	51
Limited- or non-English-speaking students	30
Students from low-income communities	75
Students with specific academic interests (e.g., fine arts, math)	52
Low-performing students	79
Gifted and talented students	63
Students of a particular cultural orientation	40
Special education students	61

Exhibit 1-10
STUDENT POPULATIONS TARGETED BY CHARTER SCHOOLS

Targeted Student Population	Percentage of Schools
Dropouts or potential dropouts (n=192)	26
Limited- or non-English-speaking students (n=113)	15
Students from low-income communities (n=286)	35
Students with specific academic interests (e.g., fine arts, math) (n=197)	24
Low-performing students (n=295)	34
Gifted and talented students (n=236)	21
Students of a particular cultural orientation (n=146)	13
Special education students (n=226)	19

How are potential charter school students selected for admission, and what is the frequency and extent of waiting lists?

Most charter schools (72 percent) did not have any specific admission requirements, other than proof of immunization and age. Of schools that did have admission requirements, the most common requirements were: application, residency, and personal interviews. The majority of charter schools had more applicants than they had the capacity to serve.

At the beginning of the charter school movement, critics often accused charter schools of being selective in their recruitment and selection of students. These criticisms have subsided in recent years, and most schools do not have any special admission requirements. In the 2000-01 survey, 72 percent of charter schools reported not having specific requirements or allowances for admission other than proof of immunization and age. Exhibit 1-11 shows the percentages of schools that were implementing different admission requirements. Among the 28 percent of schools that had admission requirements, the most common requirements were an application (76 percent), attendance zone requirements related to the student's residence (62 percent), and personal interviews (51 percent). Admission requirements related to racial balance (5 percent), special student aptitudes (7 percent), and admission tests (7 percent) were among the least common admission requirements in charter schools.

Exhibit 1-11
CHARTER SCHOOL ADMISSION REQUIREMENTS

Requirement	Percentage of Schools (n=106)
Application	76
Residence	62
Personal interview	51
Sibling preference	47
Special student needs (e.g., at-risk, disability)	37
Academic record	28
Recommendation	28
Child of a staff member	19
Standardized achievement test	11
Child of a founder of the charter school	10
Special student aptitudes	7
Admission test	7
Specific racial background to attain diversity	5

Sixty-two percent of charter schools were oversubscribed, having more applicants than they had the capacity to serve. When oversubscribed, charter schools selected among applicants primarily in two ways: a lottery (62 percent) and/or a first-come, first-served or waiting-list process (54 percent).

Parent Attitudes and Parent Involvement

Parent involvement and choice are important aspects of charter school reform. Many charter schools are started by parents or in response to parent demand. According to the theory of charter schools, parents choose to send their children to these schools. Furthermore, parents frequently are expected, or even required, to participate in the school's operations and decision-making processes. In this section, the features of schools that attract parents are presented. In addition, charter school parent involvement activities and requirements are described. Finally, the section presents school survey reports of parent satisfaction with charter schools. Perspectives of parents themselves were gathered during interviews in the first round of site visits.

What features of charter schools are most powerful in attracting parents and students?

More than half of the charter school respondents believed that six factors had particular power to attract families: small school size, small classes, a safe environment, the quality of the academic program, high achievement standards, and a specialized curriculum focus.

In choosing to send their children to charter schools, parents make an important decision that is potentially based on the features of the charter school itself. Exhibit 1-12 indicates that a variety of features attract parents to charter schools. According to charter school leaders, the most common features that are "very powerful" in attracting parents are the small school size (71 percent of schools), small classes (68 percent), safe environment (63 percent), and the quality of the school's academic program (60 percent). More than half of the schools also thought that the following are "very powerful" in attracting parents: the school's high standards for achievement (56 percent) and its specialized curriculum focus (56 percent).

Exhibit 1-12
FEATURES OF CHARTER SCHOOL PROGRAMS THAT ATTRACT PARENTS

	Percentage of Schools (n=381)					
Feature of Program	Not Powerful	Slightly Powerful	Somewhat or Moderately Powerful	Quite Powerful	Very Powerful	Mean[a]
Small school size	4	<1	1	17	71	4.48
Small classes	<1	<1	1	17	68	4.46
Safe environment	<1	<1	10	23	63	4.42
Quality of academic program	<1	<1	11	27	60	4.44
High standards for achievement	<1	<1	12	27	56	4.32
Specialized curriculum focus	<1	1	11	26	56	4.30

[a]The mean scores are based on converting responses to a 5-point scale with "very powerful" equal to 5, "quite powerful" equal to 4, "somewhat or moderately powerful" equal to 3, "slightly powerful" equal to 2, and "not powerful" equal to 1. Please note that this exhibit does not include all the features listed in the school survey item.

Site visit interviews with parents, teachers, and principals revealed several characteristics of charter schools that were attractive to parents and families: small school size, small class size, and educational approaches (including thematic instruction, moral focus, and technology).

What parent involvement activities and parent requirements are in place in charter schools?

Most charter schools reported that parents were involved in a wide variety of activities at the school. Certain kinds of activities (e.g., recruiting new students, fund-raising) were more common in new schools than in conversion schools.

Past research (e.g., Powell et al., 1997) has shown that charter schools sometimes require parent involvement[15] as part of a student's enrollment in the school. The current data indicate that more than half (54 percent) of the charter schools required families to participate in certain activities or to volunteer. Newly created schools were also more likely than conversion schools to have parent involvement requirements (57 percent vs. 39 percent). Furthermore, two-thirds of the schools reported that parent involvement is a measurable goal, as discussed in Chapter 2.

Although this goal tends to be monitored by the school's governing board, the consequences when parents do not meet their part of this agreement vary. More than half (55 percent) of the schools that required participation sent a notification to the parents when they did not fulfill the requirements. In approximately one-third (34 percent) of the schools, there were no consequences for parents when they failed to participate in required activities or fulfill parent involvement requirements. A small proportion (11 percent) of charter schools asked the parents to remove their student from the school when parents did not meet the requirements. (Site visit data appear to confirm this pattern: none of the schools visited in 2000-01 had any consequences for not meeting parent involvement requirements.)

Parent involvement appears to be a strong component of charter schools. In fact, parents or family members are likely to participate in a variety of capacities. Some are common parent involvement activities (e.g., supervising field trips and doing clerical tasks), and some indicate a more substantial role in governance and school operations (e.g., serving on the advisory board). The most common roles reported for parents were serving on advisory committees (89 percent of schools), supervising field trips or lunch (85 percent), and serving on the school's governing board (83 percent). However, it is important to note that approximately two-thirds of schools or more reported that parents were involved in one or more of the activities listed in Exhibit 1-13. The two least common parent activities (which still were quite common) were supervising or directing extracurricular activities (64 percent) and doing clerical tasks for the school (64 percent). Newly created schools were more likely than conversion schools to report all types of capacities in which parents participate or volunteer except attending workshops or classes offered by the school. As indicated in Exhibit 1-13, there was a statistically significant relationship between school type and three forms of involvement: fund-raising, recruitment, and attending workshops or classes. For example, parents were more likely to be involved in school fund-raising activities in newly created schools than in conversion schools and less likely to participate in workshops or classes offered by the school.

[15] In this discussion, the term *parent* represents any adult family member.

Exhibit 1-13
PARENTAL INVOLVEMENT ACTIVITIES BY SCHOOL STATUS

Activity	Percentage of Schools		
	Total (n=374)	Newly Created (n=285)	Conversion (n=89)
Serving on school advisory committees	89	91	85
Doing volunteer work such as supervising lunch or a field trip	85	86	81
Serving on school governing board	83	84	80
Doing school fund-raising***	79	83	67
Being classroom aides or volunteers to support instructional programs	75	76	72
Attending workshops or classes offered by the school***	67	62	83
Doing student or parent recruitment***	67	72	53
Supervising or directing extracurricular activities	64	66	62
Doing clerical tasks for the school	64	67	58

***p< 01

How do charter schools rate parental satisfaction?

The majority of charter school leaders believed that parents of students in their school would give the school an A or a B rating.

Most school leaders think that parents would give their schools a grade of either an A or a B. Approximately half (52 percent) thought that their parents would give the school a grade of B, indicating that the school is "above average, exceeding expectations." In addition, 41 percent thought that parents would give their school a grade of A, indicating that the school is "excellent, far surpassing parental expectations." A small proportion (7 percent) reported that parents would rate their school a C, indicating that the school is "average, meeting parental expectations."

The open-ended school survey questions yielded anecdotal information on parental satisfaction. According to one respondent, "[I]t's awesome. We have a very high parent satisfaction rate according to our surveys. It's 95 percent." Another respondent said, "We have a lot of success with kids passing tests and state exams; fabulous support group with family and community; high rating on parent and student surveys."

A Look at Charter School Authorizers

Charter school authorizers are a very important part of the charter school story, yet they are often overlooked. Charter school authorizers, whose basic characteristics were described at the beginning of this chapter, are responsible for each phase of the accountability process: awarding charters, monitoring school progress, and implementing sanctions. (Charter school accountability is described in detail in the next chapter.) This section looks closely at several descriptive characteristics of charter school authorizers. It begins by examining why authorizers become involved in chartering schools. Next, it discusses the capacity of these organizations, primarily in terms of the number of people who are directly involved with charter schools. Other indicators of the knowledge and skills of charter school authorizers and support for their work are also discussed. The final part of this section identifies the challenges and barriers that authorizers face in their unique role at the policy crossroads of the charter school movement.

Why do authorizers charter schools?

Authorizers were most likely to report chartering schools to offer choices for students and parents, to create schools that address particular student needs, and to make a school or program available to more students.

Authorizers decide to award charters to charter schools for a variety of reasons. Authorizer survey respondents were most likely to report deciding to sponsor charter schools to: (1) create alternatives for students and parents, (2) stimulate the development of schools that address particular student needs, and (3) make a school or program available to more students. These three areas are consistent across all types of authorizers (Exhibit 1-14). Authorizers were least likely to report sponsoring charter schools to generate additional income or to create competition in the public school system.

Exhibit 1-14
REASONS AUTHORIZERS SPONSOR CHARTER SCHOOLS

Reason	Mean Rating of Importance*			
	Local (n=77)	State (n=14)	University (n=9)	Total Authorizers (n=100)
Creating alternatives for students or parents	3.45	3.86	3.67	3.48
Stimulating the development of schools that address particular student needs	3.26	3.57	3.56	3.29
Making school or program available to more students	3.00	3.64	3.22	3.04
Targeting certain populations of students (e.g., minority or special education)	2.87	2.92	3.00	2.88
Improving the public school system	2.78	3.86	3.11	2.85
Testing certain curricular, instructional, or organizational practices	2.51	3.36	2.67	2.55
Responding to public or political pressure to create charter schools	2.25	3.33	2.00	2.27
Creating competition in the public school system	1.91	3.08	2.11	1.96
Generating additional income	1.72	1.67	1.00	1.68

*The mean scores are based on converting responses to a 4-point scale with "very important" equal to 4, "somewhat important" equal to 3, "not very important" equal to 2, and "not at all important" equal to 1. Note: The total means are weighted to represent the authorizer universe.

Exhibit 1-14 indicates some slight differences in ratings of importance based on type of authorizer. For example, state authorizers were more likely to report chartering schools as a response to public and political pressure and as an attempt to create competition within the public school system. However, none of the differences in the ratings of importance by type of authorizer were statistically significant.

The charter school site visits also included interviews with representatives of the schools' authorizers. One LEA authorizer respondent reported that the district views its charter schools as a means to retain students and families who otherwise might leave the district. Citing examples of students who returned to district charter schools after leaving the district for other schools, the interview respondent believed that charter schools provide the alternatives sought out by families in the larger educational marketplace.

What capacity do authorizers have to support charter schools?

Charter school authorizers typically did not have separate offices, staff, or budgets to support their activities with charter schools. Most authorizers, however, were involved with either formal or informal authorizer networks.

The capacity of charter school authorizers is an indication of the extent to which they are capable of taking on difficult roles in the new accountability context.[16] In designing the authorizer survey, the team attempted to identify indicators of authorizer capacity. These indicators included the existence of a separate office and budget for charter school activities and the number of full-time-equivalent staff working directly with charter schools. The team expected to analyze data on these indicators and thereby draw conclusions about an authorizer's ability to review applications, monitor progress, and support charter schools. The charter school activities of authorizers tended to be subsumed under larger activities of the organization. Since a large majority of authorizers were local school districts that charter a small number of schools, the person(s) or office(s) that dealt with chartering generally wore multiple hats. Therefore, authorizers usually did not have an office or staff dedicated to charter-related work. In fact, fewer than one-third (30 percent) of authorizers reported having a separate office or staff. This survey finding is supported by both the 1999-2000 focus groups and the 2000-01 site visits. Most charter school work fell to a staff member within the authorizer organization who already had other responsibilities (e.g., the superintendent of a small school district). However, there were differences by type of authorizer: almost all state-level authorizers (93 percent) had a separate office and staff, compared with fewer than half of universities (44 percent) and one-quarter of local authorizers (26 percent). The relationship between an authorizer's having an office or staff dedicated to charter schools and the type of authorizer was statistically significant ($p<.01$).[17]

Another aspect of whether an office or staff is dedicated specifically to charter school operations is the extent to which the office has a separate budget for charter school activities. Survey findings indicate that charter school budgets frequently were integrated within larger agency budgets. In fact, of the authorizers that had a separate charter-school-dedicated office and staff (n=30), only 59 percent had a separate budget for charter school activities.

Beyond the existence of an office, staff, and budget dedicated to charter school activities, the number of staff whose work is directly related to charter schools is an important indicator of the authorizer's capacity to serve its schools. Approximately four full-time equivalents (4.11 FTEs), on average, worked directly on charter school activities within an authorizing agency.[18] Our data do not indicate a statistically significant relationship between the number of full-time equivalents and the type of authorizer. This finding is interesting, given the fact that certain types of authorizers tend to have higher numbers of schools. The study's site visits provide an example of how important it is to consider the number of FTEs in relation to the number of schools chartered. One authorizer in the site visit sample had awarded more than 150 charters but had only five full-time staff members. As a result, face-to-face meetings and hands-on monitoring occurred only when a school was having difficulties. On the other hand, another authorizer in the site visit sample was a school district with no one devoted exclusively to charter schools. However, a large number of district respondents were familiar with the smaller number of charter schools it had sponsored.

A final area of capacity for authorizers—and a possible source of support for increasing it—is the extent to which authorizers share information or resources with other authorizers or provide

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[16] Since capacity is difficult to measure through a survey, the team also is focusing on this issue in site visits to authorizers.

[17] Fisher's exact test and unweighted data were used for this analysis.

[18] Only those authorizers that reported having an office and/or staff dedicated to charter schools responded to the question about full-time-equivalent staff. Most (70 percent) of authorizer survey respondents skipped this question because they did not have staff dedicated to charter schools.

support to each other. From the 1999-2000 authorizer focus groups, the team found that many authorizer representatives had difficulty developing accountability systems because they had limited information about state laws or accountability processes. In addition, these authorizers felt that sharing information would improve their ability to meet the needs of their schools. Focus group participants pointed out that they felt as if they were "reinventing the wheel" instead of sharing information with other authorizers who may have had the same difficulties.

The 2000-01 survey findings indicate that almost two-thirds (65 percent) of authorizers were involved in either formal or informal networks with other authorizers to provide support and share information or resources.[19] As Exhibit 1-15 indicates, 38 percent were involved in formal networks. University authorizers appear to be more likely than the other types to have been involved in formal networks. Our data indicate that a statistically significant relationship ($p<.05$) exists between type of agency and whether they are involved in formal networks.[20] Non-local authorizers (university and state authorizers) were more likely than local authorizers to have been involved in formal networks.

Exhibit 1-15
AUTHORIZER NETWORKS

	Percentage of Authorizers			
	Local (n=77)	State (n=14)	University (n=9)	Total Authorizers (weighted) (n=100)
Informal networks	43	54	56	44
Formal networks**	35	50	88	38
No networks	39	15	13	35

**p<.05

The formal networks that authorizers were involved in tended to be operating through a state or local charter resource center or association (69 percent) or the state education agency (70 percent). A smaller proportion of authorizers were involved in networks through an authorizer association (33 percent), such as the National Association of Charter School Authorizers, or a national charter school association (29 percent), such as the Charter Friends Network. In addition to these findings about formal networks, 44 percent of authorizers participated in informal networks with other authorizing agencies.[21] Only 16 percent of authorizers participated in *both* formal and informal networks.

[19] It is interesting to note that 39 percent of local authorizers were not involved in formal or informal networks. This proportion is much higher than that for the other types of authorizers.

[20] For this analysis, Fisher's exact test was used, but a comparison of "local" and "non-local" authorizers using the chi-squared test of significance and the weighted data also indicates a statistically significant relationship between formal networks and type of authorizer ($p<.01$).

[21] A statistically significant relationship does not exist between type of authorizer and participation in informal networks.

What are the barriers to chartering for authorizers?

Authorizers were most likely to identify inadequate finances, politics, lack of clarity around state charter laws, and lack of clarity around other laws and policies as their main challenges.

Like charter schools, authorizers face a number of challenges in doing their work. (Charter school barriers will be discussed in Chapter 4.) Exhibit 1-16 indicates the percentage of authorizers that have faced each type of challenge or barrier. The most common barriers reported by authorizers were: politics (58 percent), inadequate financial resources (56 percent), and a lack of clarity around charter and other laws (54 percent about state charter law; 56 percent about other state laws or policies). However, it is important to note that these are not barriers common to all authorizers, since only about half of the authorizers reported them. In addition to the barriers that were most frequently cited, 43 percent of authorizers reported difficulty in measuring charter school progress, and 43 percent reported a lack of personnel. In addition, approximately one-third of authorizers (35 percent) reported difficulty in creating systems to hold schools accountable. The accountability systems barrier, although faced by a lower proportion of authorizers than other barriers, may be especially problematic. The ability to hold charter schools accountable for results is a key expectation for authorizers.

Exhibit 1-16
CHALLENGES AND BARRIERS TO AUTHORIZERS

Barrier	Percentage of Authorizers (weighted) (n=99)
Politics	58
Inadequate financial resources	56
Lack of clarity about how other (i.e., noncharter) state laws or policies relate to charter schools	56
Lack of clarity about state charter school law	54
Lack of clarity about how other federal laws relate to charter schools	46
Difficulty in measuring charter school progress**	43
Lack of personnel at your authorizing agency dedicated to charter school work**	43
Difficulty in creating a system to hold schools accountable	35
Community opposition***	28
Difficulty in setting targets for performance in charter schools	24
Union opposition	20

**p<.05, ***p<.01

As Exhibit 1-16 indicates, a statistically significant relationship existed between authorizer type and three challenges or barriers: lack of personnel at the authorizing agency dedicated to charter school work ($p<.05$), difficulty in measuring charter school progress ($p<.05$), and community opposition ($p<.01$).[22] In all three cases, states were more likely than the other types of authorizers to report these as barriers. Similar proportions of local and university authorizers reported that lack of personnel was a barrier. Local authorizers were less likely than universities to cite community opposition—this finding may indicate that those authorizers most removed from local issues are, in fact, most hindered by local politics. Local authorizers were more likely than universities to cite difficulty in measuring charter school progress.

This chapter has set the stage for the remainder of the report by updating data on the basic characteristics of charter schools and charter school authorizers for the 2000-01 school year. The remaining chapters on accountability (Chapter 2), flexibility (Chapter 3), and support (Chapter 4) will explore these topics by combining the data from charter schools and charter school authorizers.

[22]Fisher's exact test and unweighted data were used for this analysis.

CHAPTER 2
THE MULTIPLE LEVELS OF CHARTER SCHOOL ACCOUNTABILITY

I think that we depend too much on standardized tests, which focus exclusively on academic outcomes with little consideration regarding the social-affective domain.

—2000-01 charter school survey respondent

I think that we as an authorizer play an interesting role because we advocate for charter schools: we hold them accountable, and we at the charter school office protect their autonomy, which sometimes conflicts with the rest of the [agency].

—2000-01 charter authorizer survey respondent

A charter school is created when a school planning group—or an existing noncharter school—is awarded a "charter." A charter is an agreement between the school and its authorizer that, in theory, outlines the organizational, administrative, financial, and instructional features of the school, as well as the school's goals and how progress toward them will be measured. A key assumption of the charter school movement is that the existence of the charter agreement enables authorizers to hold individual charter schools accountable for improving student and school outcomes and for meeting the other goals specified in the charter. If the charter school is not meeting its goals or demonstrates other deficiencies, its charter can be revoked and the school can be closed by the authorizer.

The accountability story is an important part of understanding the current state of the charter school movement, along with many other policy developments affecting public schools in general. Accountability procedures and activities are widely reported by charter schools and authorizers. The tension between accountability and freedom is present in many discussions of charter schools, and schools and authorizers struggle to find the appropriate balance as the movement matures.

As presented in Chapter 1, charter schools and charter school authorizers have distinctive characteristics. They also have important relationships with each other around monitoring and accountability, flexibility, and support. These issues are explored in Chapters 2, 3, and 4, respectively. Chapter 2 focuses on the multiple levels of charter school accountability, drawing from the survey and site visit data from charter schools and charter school authorizers. The chapter is organized according to the key steps of the accountability process: awarding charters, monitoring charter schools, and imposing sanctions.

Awarding Charters

Charter school accountability begins before the charter is even awarded, provided the roles and responsibilities of both the proposed charter school and the authorizer are clearly understood during the charter development and application process. Although this is not always the case, authorizer-level site visit interview respondents (and anecdotal comments from other representatives of authorizers[23]) referred to the need to be clear about the roles and responsibilities of each party in the charter contract and to make sure that goals and expectations are clear to each party at the very beginning of the relationship.

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[23] Three charter school authorizers are represented on the study's technical work group, and they have frequently referred to the need to "front load" charter school accountability by having a rigorous application process.

What is the application process for charter schools?

Most charter school authorizers have established a variety of formal procedures to regulate the charter application process. Local authorizers and authorizers that chartered few schools tended to have fewer procedures than states or other kinds of authorizers that received many applications annually.

Charter school authorizers reported a variety of application procedures for charter schools. Most authorizers include an interview or public hearing (85 percent), a formal deadline for applications (e.g., as part of an annual application and approval cycle) (70 percent),[24] and the formation of a committee to review applications (68 percent). Most authorizers (59 percent) also provide assistance to applicants. About half (48 percent) have a multistage process in which a preliminary review of applications yields a smaller number of applicants who are invited to submit fuller proposals.

A statistically significant relationship exists between type of authorizer and certain application procedures: the distribution of application packets ($p<.01$), assistance to founders in the application process ($p<.10$), a formal review committee ($p<.05$), and a ranking system to score applications ($p<.01$).[25] In all cases, state authorizers were more likely than the other groups to report these application processes.[26] Like many other differences between authorizer types, this pattern may be due to the higher average number of schools chartered by state authorizers. In other words, the volume of applications tends to drive the creation of policies, procedures, and infrastructure for the chartering process.

What are the most important things that authorizers look for when deciding whether to charter schools? What are the most important reasons for which they deny applications?

In the application review process, charter school authorizers ascribed importance to numerous elements or criteria that applications should include. According to the 23 percent of authorizer respondents who reported ever denying an application, weaknesses in the areas of governance/management/finance and curriculum/instruction were the most important factors in the decision to reject a charter proposal.

In Chapter 1, data were presented on the overall reasons that authorizers decide to sponsor charter schools. For example, authorizers frequently charter schools to create alternatives for students and parents. For the most part, however, authorizers do not "rubber-stamp" all charter applications in the name of creating more choices in the education system. Rather, authorizers generally apply specific criteria when they review charter applications. Often, authorizers specify an outline to guide proposal preparation, with particular elements that must be adequately addressed before charter approval. Exhibit 2-1 looks at the relative importance of particular elements or criteria that authorizers may use when reviewing applications and making the decision to issue a charter. Accountability provisions, the mission and goals of the school, the curriculum, health and safety issues, and finances lead the list of elements authorizers consider in their decision-making

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[24] Seventy-one percent also mentioned an ongoing review of applications; however, this seems to contradict the finding that 70 percent have formal deadlines for the application and approval cycle. This finding may indicate multiple opportunities for planning groups to submit applications.

[25] Fisher's exact test and unweighted data were used for this analysis.

[26] Only for one application process—assistance to founders—were there noteworthy similarities between states and another type of authorizer. In this case, the percentage of local authorizers reporting this process was comparable to the percentage of states—60 percent compared with 71 percent, respectively. University authorizers, on the other hand, were much less likely to report this assistance (25 percent).

process. Note that only one element, transportation, falls below the score for "somewhat important."

Exhibit 2-1
ELEMENTS CITED BY AUTHORIZERS IN THEIR DECISIONS TO ISSUE CHARTERS

	Mean[a] (n=98)
Accountability provisions	3.89
Mission and goals of the school	3.84
Curriculum	3.82
Health and safety issues	3.81
Finances	3.81
Assessment	3.77
Governance and management	3.76
Special education program/services	3.65
Admission procedures	3.58
Instructional strategies	3.57
Background of school leaders	3.48
Personnel policies or requirements	3.33
Student population	3.35
Student discipline policies	3.30
School facilities	3.23
Transportation	2.55

[a]The mean scores are based on converting responses to a 4-point scale with "very important" equal to 4, "somewhat important" equal to 3, "not very important" equal to 2, and "not at all important" equal to 1. Note: The total means are weighted to represent the authorizer universe.

In general, charter denial appears to happen infrequently, with fewer than one-quarter (23 percent) of authorizers reporting that they have denied charter applicants because of problems or concerns with their applications. Exhibit 2-2 illustrates the differences in charter application denials by type of authorizer—these differences are statistically significant ($p<.01$).[27] The fact that states were more likely than university and local authorizers to deny charter applications may be related to the higher volume of charter applications received by states.

Exhibit 2-2
CHARTER APPLICATION DENIAL, BY AUTHORIZER TYPE

Has your agency ever denied charter applicants because of problems or concerns with their applications?	Percentage of Authorizers			
	Local (n=77)	State (n=14)	University (n=9)	Total Authorizers (weighted) (n=100)
Yes	19	86	44	23
No	81	14	56	77

[27] Fisher's exact test and unweighted data were used for this analysis.

Using the same list of elements as those discussed above, authorizer survey respondents who reported ever having denied a charter applicant were asked to identify those problem areas that caused them to deny charter(s). The relative importance of concerns cited by authorizers in decisions to deny charters, presented in Exhibit 2-3, show that the most frequently cited problems with charter applications center on governance and management, finances, instructional strategies, and curriculum. This finding matches the survey findings from a nonrepresentative sample of authorizers presented in the evaluation's 1999-2000 report, as well as anecdotal information from the media about charter acceptances and rejections in specific states.

Exhibit 2-3
AUTHORIZERS' REASONS FOR DENYING CHARTER APPLICANTS

	Mean[a] (n=29)
Governance and management	3.22
Finances	3.11
Instructional strategies	3.08
Curriculum	3.03
Mission and goals of the school	2.79
Assessment	2.66
Accountability provisions	2.70
Background of school leaders	2.65
Admission procedures	2.69
Special education program/services	2.55
School facilities	2.46
Personnel policies or requirements	2.45
Student population	2.39
Health and safety issues	2.19
Student discipline policies	2.03
Transportation	1.61

[a]The mean scores are based on converting responses to a 4-point scale with "frequently a problem" equal to 4, "sometimes a problem" equal to 3, "rarely a problem" equal to 2, and "never a problem" equal to 1.
Note: The total means are weighted to represent the authorizer universe.

Monitoring Charter Schools

The second stage of accountability begins once charters are awarded and schools begin operations as charter entities. Most charter schools face some type of monitoring process by their authorizers, governing bodies, or other agencies. This monitoring process varies by authorizer but usually includes an annual review of certain educational outcomes or data. The agencies responsible for monitoring charter schools and accountability indicators are the focus of this section.

Which agencies monitor charter schools, and on which indicators?

Charter schools reported that their own governing boards monitored schools' activities most closely. Just over half of the school respondents indicated that their authorizers monitored their progress in the areas of performance on state student assessments, compliance with regulations, financial record keeping, and special education services. In contrast, the authorizers reported that, on average, they monitored student achievement results on state tests, financial record keeping, and regulatory compliance in more than 90 percent of the schools that they chartered.

The survey of charter schools asked school leaders about external monitoring of a large number of elements associated with school operations. Potentially, charter schools are monitored by and held accountable to more entities than other public schools because, in addition to any state monitoring required by a state's charter school law, all charter schools have authorizers, and many have their own governing boards as well. The purpose of this survey item was to establish charter schools' perceptions of who oversees them and for what purposes.

Exhibit 2-4 displays the school survey responses about the focus and locus of monitoring activities. The exhibit makes it very clear that, from the perspective of charter school leaders, charter schools are monitored and held accountable and responsible by their own governing boards first and their authorizers second. The state or some other agency does not loom large on the monitoring landscape.

According to the data presented in Exhibit 2-4, as reported by charter schools, authorizers were less likely than charter school governing boards to monitor virtually all of the criteria listed. Both the governing body and the authorizer tended to monitor a few areas (e.g., financial record keeping, compliance with federal and state regulations, and student achievement results on standardized tests) in nearly equal proportions. However, because authorizers are outside agencies with legislated oversight responsibilities, they may have higher standing as accountability monitors than do charter schools' internal governing bodies. The remainder of the monitoring section draws on data from charter school authorizers.

Exhibit 2-4
CHARTER SCHOOL PERCEPTIONS OF AGENCIES RESPONSIBLE FOR MONITORING SCHOOLS

Area Monitored	Percentage of Schools			
	Charter School Governing Body	Charter School Authorizer	State-Level Body, If Different from Charter School Authorizer	Other Agency or Group
Student portfolios or demonstration of work (n=333)	86	13	8	7
Parent/community involvement (n=341)	84	20	8	8
Parent satisfaction (n=360)	82	28	10	8
Student discipline and school safety (n=367)	80	32	20	8
Governance/decision-making (n=364)	80	35	13	6
School waiting list (n=322)	80	24	7	8
Staff performance (n=364)	79	24	8	10
Staff attendance (n=358)	79	22	6	7
Instructional practices (n=369)	77	31	15	11
School management or leadership (n=372)	77	33	10	9
Student performance on performance-based tests (n=364)	73	39	30	8
Other student performance indicators, such as attendance rates (n=363)	70	40	33	8
Relationship with management company (n=155)	70	34	8	7
Student achievement results on other standardized tests (n=350)	69	48	34	8
Diversity of student body (n=307)	69	35	24	8
Enrollment numbers (n=370)	68	45	30	11
Alignment of curriculum to state standards (n=362)	64	45	32	7
Financial record keeping (n=375)	61	58	36	15
Student achievement results on statewide assessment (n=368)	60	60	53	7
Compliance with federal or state regulations (n=376)	59	59	47	9
Special education services (n=370)	49	59	46	11

Authorizers also were asked about their monitoring activities, using the same list of potential areas for monitoring presented to the charter schools. Specifically, the authorizers were asked to indicate the percentage of their chartered schools that were monitored in each potential area of accountability listed. Authorizers reported that they were most likely to monitor most or all of their schools in the following areas: student performance on statewide assessments, financial record keeping, compliance with federal or state regulations, and enrollment numbers (Exhibit 2-5).

Although the units of analysis for the school and authorizer surveys are not directly comparable, it is interesting to look at the two perspectives on the same set of monitoring criteria. Note, for example, that authorizers reported that they monitored student achievement results on statewide assessments in 95 percent of their charter schools, whereas only 60 percent of charter schools reported that their authorizers monitored them in this area. The percentages of schools in the two columns of Exhibit 2-5 allow similar comparisons for other areas. For example, authorizers reported responsibility for monitoring special education services in only 9 percent of their schools. However, more than half of charter schools reported that they were monitored in this area by their authorizers.

Exhibit 2-5
ACCOUNTABILITY AREAS MONITORED BY CHARTER SCHOOL AUTHORIZERS: SCHOOL AND AUTHORIZER PERSPECTIVES

Area Monitored	Percentage of Schools	
	School Survey (n=381)	Authorizer Survey[a] (n=96)
Student achievement results on statewide assessment	60	95
Compliance with federal or state regulations	59	90
Special education services	59	9
Financial record keeping	58	91
Student achievement results on other standardized tests	48	75
Enrollment numbers	45	87
Alignment of curriculum to state standards	45	72
Student performance on performance-based tests	39	72
Other student performance indicators, such as attendance rates	40	68
Parent satisfaction	38	58
Governance or decision-making	35	64
Diversity of student body	35	60
Relationship with management company	34	28
School management or leadership	33	68
Student discipline and school safety	32	67
Instructional practices	31	62
Staff performance	24	45
School waiting list	24	43
Staff attendance	22	34
Parent or community involvement	20	57
Student portfolios or demonstration of work	13	38

[a]Note: Authorizer respondents were asked what percentage of schools they monitored in each area. Data presented are weighted average percentages of schools as reported by authorizers.

A few differences in monitoring emphasis emerged when the authorizer data were analyzed by type; however, none of these differences were statistically significant. State and university authorizers were more likely than local authorizers to report monitoring their charter schools on the following criteria: student discipline and school safety, student performance on performance-based tests, governance or decision-making, school management or leadership, parent or community involvement, diversity of student body, parent satisfaction, and relationship with management company.

Finally, authorizer respondents also were asked whether they, as sponsors, were required to report on charter school progress to their state departments of education or other agencies. More than half (58 percent) reported that they were required to report charter progress directly to their SEAs. In addition, almost three-quarters of the authorizers (73 percent) reported that charter schools themselves were required to make their own reports to the state or other agencies. However, 18 percent of the authorizers reported that neither their agencies nor their charter schools were required to report charter school progress to the state department of education or other agencies.

What are the measures of student performance for which charter schools are accountable, and how are they assessed?

Most charter schools reported that their charters contained measurable goals in a number of areas, most notably student academic achievement and student attendance. A somewhat smaller proportion of authorizers indicated that their schools had measurable goals, but those that did also emphasized student performance, attendance, and progress.

Charter schools and charter authorizers usually agree that the accountability process should begin with measurable goals. Although authorizers and school planners initially may disagree about what the goals should be, it is important for both to reach consensus on these goals as part of negotiating the charter contract. The alternative—determining benchmarks of charter school effectiveness after the school is in operation—is a much harder task and one that may be more contentious. (This observation was made by school and authorizer participants in the 1999-2000 focus groups.)

According to the school survey, most charter schools reported having measurable goals, especially in the areas of academic achievement and student attendance. Exhibit 2-6 displays the frequency with which these and other types of measurable goals were reported by schools. Authorizer responses about the incidence of measurable goals in their charter schools were fairly close to the reports from charter schools themselves. Authorizers tended to report that all or most of their schools (i.e., more than 80 percent) had measurable goals in the following areas: academic achievement, parent involvement, student attendance, and student promotion or graduation.

Exhibit 2-6
SCHOOL REPORTS OF MEASURABLE GOALS

Goal[a]	Percentage of Schools (n=380)
Academic achievement	96
Student attendance	90
Staff performance and/or attendance	86
Student behaviors	85
Promotion or graduation	84
Parent satisfaction	78
Parent involvement	67

[a]Note: In addition to the goals listed, a small percentage of school respondents also reported measurable goals in other areas, including student involvement in community service projects, school fund-raising, career placement, and enrollment in higher education.

What assessments are used by charter schools, and to what extent are the assessments required or used by choice? How frequently are these assessments conducted?

The majority of charter schools reported that they used both norm-referenced tests and criterion-referenced tests. In addition, a majority of schools reported that, by choice, they used student demonstrations of work and student portfolios, among other measures of assessing the school's success. State-required assessments generally are conducted once a year.

Accountability for all public schools—charter and noncharter—often takes the form of student testing, and student testing is increasingly taking the form of standardized tests mandated by states or school districts. Given the original rationale that charter schools ought to be free of the rules and regulations to which regular public schools are subject, the extent to which charter schools administer standardized tests—and the extent to which they are required to do so—is an important finding.[28]

Charter school survey respondents reported that they used a variety of assessment strategies, either because they were required to or by their own choice (Exhibit 2-7). For example, of the 93 percent of charter schools that administered standardized tests, most were required to do so by their district, state, or charter school authorizer. However, a large percentage of charter schools also administered performance-based tests (92 percent), and more than half of these schools did so by choice. The most frequently reported assessment strategies used by choice were student demonstrations of their work (78 percent) and portfolios (69 percent). (The data in Exhibit 2-7 are consistent with the estimates provided by RPP International, based on data collected from charter schools in 1998-99 [Nelson et al., 2000, p. 54].)

[28] For an analysis of the 1999-2000 study data that presents related information, see Anderson and Finnigan (2001).

Exhibit 2-7
ASSESSMENT STRATEGIES USED BY CHARTER SCHOOLS

Strategy	Percentage of Schools (n=380)		
	Use: Required by State, District, or Authorizer	Use: School's Choice	Do Not Use
Standardized norm-referenced tests (e.g., Stanford 9, ITBS, MAT)	72	21	7
Criterion-referenced test with proficiency levels or cut scores	50	34	16
Performance-based tests (e.g., writing sample, hands-on task)	44	48	8
Behavioral indicators such as attendance, expulsion, and college application rates	38	43	19
Parent satisfaction surveys	23	64	12
Student portfolios (e.g., a type of assessment consisting of a subset of a student's work used to assess progress)	11	69	20
Student interviews or surveys	11	65	24
Students' demonstration of their work (e.g., a presentation of the results of learning before an audience)	10	78	11

Charter authorizers monitor a variety of charter school activities and indicators on a regular basis, typically once a year or more. The areas that tend to be monitored more than once a year are financial record keeping, enrollment numbers, staff attendance, and special education services. Indicators that are monitored annually include student achievement results, alignment with standards, diversity of the student body, parent satisfaction, and parent and community involvement.

Authorizers rely on numerous procedures for monitoring the progress of charter schools. Exhibit 2-8 displays the degree to which these requirements are in place for charter schools (column A) compared with noncharter public schools in LEAs that are authorizers (column B). Not surprisingly, the most common monitoring procedures include annual reports (93 percent), the school's reporting of standardized test scores (92 percent), fiscal audits (91 percent), and review of progress toward goals listed in the charter (90 percent). Note that local education agencies report that they frequently require the same accountability procedures for their noncharter schools.

Exhibit 2-8
MONITORING PROCEDURES FOR CHARTER AND REGULAR PUBLIC SCHOOLS, AS REPORTED BY AUTHORIZERS

Procedure	Percentage of Authorizers (weighted)	
	Column A All Authorizer Procedures for Charter Schools (n=98)	Column B LEA Authorizer Procedures for Noncharter Schools (n=75)
Annual report	93	93
School's reporting of standardized test scores	92	96
Fiscal audits, whether by your agency or by another agency	91	93
Review of progress toward goals listed in original charter or school improvement plan	90	89
School-level data collection	82	92
Site visits	81	92
School-level self-evaluations	62	77
Parent surveys	55	69
Student surveys	44	52
Third-party evaluations	33	55

Imposing Sanctions

The final stage of charter school accountability is the range of consequences faced by charter schools when they do not meet the terms of their charters or experience other difficulties. For the majority of charter schools, accountability consequences, or "sanctions," have not occurred—in part, perhaps, because the majority of charters have not yet come up for renewal. Similarly, other sanctions that might occur before the renewal process are also relatively rare. However, the 2000-01 survey data yield interesting information about the reasons for the sanctions that are imposed. As in other topics presented in this report, the different perspectives of charter schools and authorizers add depth and detail to accountability consequences. (Note that charter school closure does not always occur as a sanction or punitive measure. There are a few examples of charter schools that have decided to close voluntarily.)

On the whole, where are charter schools in the renewal process? What percentage of charter schools have come up for renewal? What are the reasons charters are revoked or not renewed?

A little more than a third of charter schools (36 percent) have been through the renewal process. Many more will be participating in this process in the next two years. Very few authorizers have decided not to renew schools that have come up for review, with state authorizers more likely to make nonrenewal determinations than other types of authorizers. On the basis of a very few cases, nonrenewal and revocation decisions tended to be most strongly related to a school's problems with finances and management.

Charter nonrenewal is a key sanction available to authorizers if a charter school is not meeting expectations. However, most charter schools (63 percent) have not yet faced charter renewal. For schools that have undergone charter renewal, nonrenewal is a rare event, occurring in only 8 percent of the charter schools surveyed in 2000-01.[29] Charter nonrenewal also is a rare event among authorizers, with only four authorizers reporting that they had not renewed any charters. No authorizers reported not renewing more than two charters.

In addition to nonrenewal, charters also can be revoked before the end of the charter cycle if the authorizer has concerns that are too pressing to wait for the renewal process. Data on the incidence of early charter revocation come from the authorizer survey. Charters have been revoked by 8 percent of authorizers, with state authorizers being more likely than other authorizer types to do so. The number of charters revoked by authorizers ranged from one to six.

The 12 authorizers that reported either revoking or not renewing charters also reported the reasons for their decisions (Exhibit 2-9). The most frequent reasons for revoking or not renewing charters were the schools' financial viability or management (100 percent) and school management, leadership, or governance (83 percent). Nearly two-thirds of the authorizers reported revoking or not renewing charters because of problems with academic progress (64 percent) and enrollment numbers (64 percent), and more than half reported problems relating to curricular and instructional strategies (57 percent). In addition, 50 percent of authorizers indicated that revocation or nonrenewal was due to failure to meet other goals included in the charter. Although only 12 authorizers reported revoking or not renewing one or more charters, these preliminary findings support the 1999-2000 finding that schools are being closed more often because of financial and management concerns than because of concerns about the academic program or student performance.

Exhibit 2-9
REASONS GIVEN BY AUTHORIZERS FOR REVOKING OR NOT RENEWING CHARTERS

Reason	Percentage of Authorizers (weighted) (n=12)
Financial viability or management	100
School management, leadership, or governance	83
Progress toward academic goals for students	64
Enrollment numbers	64
Curricular and instructional strategies	57
Progress toward other goals included in charter	50
Growth in student performance	50
Comparisons between achievement scores in charter schools and regular public schools	44
Conflicts of interest	41
Actual student performance levels, e.g., with regard to a benchmark	36
Progress toward nonacademic goals for students	33
Parent satisfaction levels	30
Student admission procedures	27
Facilities	27
Health and safety	27

[29]Because the 2000-01 school survey was administered to a sample of operating charter schools, the study team did not capture a complete school-level picture of charter revocation and nonrenewal. In fact, many schools were still in the process of renewal. The authorizer data, however, provide a more comprehensive picture of both positive and negative accountability procedures that have occurred to date.

Beyond nonrenewal (and revocation), what other sanctions are imposed on charter schools, how often, and why?

Although lesser sanctions are not usually specified in the law, charter school authorizers sometimes impose such sanctions (usually before the renewal process), like putting a school on probation or preparing written documentation of concerns. As with the more final sanctions of nonrenewal or revocation, few schools apparently have received such warnings, and few authorizers have issued them. When the lesser sanctions have been applied, it usually has been because of the same concerns that seem to lead to nonrenewal and revocation: financial and management problems.

As in the case of permanent sanctions described above, the overwhelming majority of charter schools have not faced lesser sanctions, such as probation and written notification about state or charter school authorizer concerns. In surveys of states and authorizers during 1999-2000, the study team found that these sanctions were constructive attempts to address problems within charter schools without necessarily shutting down the schools. In the 2000-01 school survey, the team found that 6 percent of schools had received written notification from the state or authorizer about concerns, 2 percent had been placed on probation, and fewer than 1 percent had their charter temporarily revoked or withdrawn.

Probation was reported less frequently by charter schools than by authorizers, with 2 percent of schools reporting that they either were currently on probation or had been in the past. Fourteen percent of authorizers reported having placed one or more schools on probation, with state and university authorizers being more likely than local authorizers to report taking action of this kind—this difference may be linked to the larger number of schools that state and university authorizers have chartered. The relationship between type of authorizer and placing schools on probationary status is statistically significant ($p<.01$).[30] (Among authorizers who have used this strategy, the average number of schools placed on probation was two, with a range from one to six schools.)

One site visit authorizer (an SEA) reported that the site visit school might face probation-type sanctions, which it might have avoided if it had submitted accountability data as a low-performing school. In this case, however, the authorizer did not inform the school that it had a choice in how it reported its data. State assessment systems are prominent parts of the accountability story for charter schools and authorizers (as well as noncharter schools); this example from the site visits highlights the need for schools to know all of their options.

When lesser sanctions were imposed, the top three concerns of states or authorizers cited by school respondents were school management, leadership, or governance; financial viability or management; and comparisons between achievement scores in charter schools and regular public schools. These data are reported in Exhibit 2-10.

[30] Fisher's exact test and unweighted data were used for this analysis.

Exhibit 2-10
REASONS FOR SANCTIONS, AS REPORTED BY SCHOOLS

	Percentage of Schools (n=29)
School management, leadership, or governance	45
Financial viability or management	43
Comparisons between achievement scores in charter schools and regular schools	28
Facilities	21
Conflicts of interest	18
Curricular and instructional strategies	17
Progress toward other goals included in charter	17
Health and safety	17
Progress toward academic goals for students	14
Progress toward nonacademic goals for students	14
Growth in student performance	14
Parent satisfaction levels	14
Actual student performance levels, e.g., with regard to a benchmark	10
Enrollment numbers	10
Student admission procedures	3

Authorizers also reported why schools were placed on probation. The two top reasons in Exhibit 2-11—financial viability or management and school management, leadership, or governance—match the top two reasons for sanctions reported by charter schools. However, about half of the authorizers also reported concerns with progress toward academic goals for students as a reason for placing charter schools on probation.

Exhibit 2-11
AUTHORIZERS' REASONS FOR PLACING SCHOOLS ON PROBATION

	Percentage of Authorizers (n=18) (weighted)
Financial viability or management	70
School management, leadership, or governance	69
Progress toward academic goals for students	50
Actual student performance levels, e.g., with regard to a benchmark	44
Growth in student performance	37
Comparisons between achievement scores in charter schools and regular schools	33
Curricular and instructional strategies	25
Progress toward other goals included in charter	22
Student admission procedures	20
Conflicts of interest	23
Facilities	21
Health and safety	15
Enrollment numbers	16
Parent satisfaction levels	12
Progress toward nonacademic goals for students	4

CHAPTER 3
FLEXIBILITY AND CONTROL: THE CONTRASTING PERCEPTIONS OF CHARTER SCHOOLS AND CHARTER SCHOOL AUTHORIZERS

School-level autonomy, freedom, and flexibility are central components of the accountability-flexibility exchange underlying the theory of charter schools. Chapter 2 presented a detailed report on the 2000-01 data on accountability. In this chapter, the focus is on how much flexibility and control charter schools actually realize in practice. In addition, the chapter compares the perceptions of charter schools and the perceptions of authorizers regarding the extent to which charter schools are allowed flexibility in a variety of operational areas. It also identifies the groups with which charter schools are most likely to share authority.

Charter School Flexibility Provisions

Are the flexibility provisions granted to charter schools by state and local laws (charter-school-specific and other statutes) realized in practice?

> *Fewer than half of all charter schools were reported to be eligible to depart from the laws and regulations that apply to noncharter public schools.*

According to the philosophy underlying the charter school movement, one might expect that all or nearly all charter schools receive waivers from public school regulations or laws. However, in 1999-2000, the study team found that only half of the states with charter school laws (n=19) provided charter schools with an automatic waiver of state rules and regulations (U.S. Department of Education, 2000). Similarly, in the 2000-01 school survey, fewer than half of all charter schools (47 percent) reported that they had been allowed to depart from any of the existing state laws or regulations that apply to other public schools.

What flexibility provisions do charter schools report to be the most critical to ensuring school success?

> *For those charter schools eligible to depart from laws and regulations, departing from teacher certification and contract requirements was cited as the freedom "most important" to their operations.*

Of the 47 percent of charter schools that reported any amount of flexibility regarding existing state laws or regulations, the most important freedom was the ability to depart from teacher certification and contract requirements.[31] More than one-third (36 percent) of respondents who reported that they were eligible for such flexibility said that this ability was their most important source of freedom. Some respondents volunteered more information on why this freedom was so important to their success as a charter school. According to one, flexibility in the area of teacher certification "...expands the pool of what we think we need with our student population. We need people skilled in teaching but also able to develop a family atmosphere for our students, and that's based on the background the students come from." Another respondent said that the "freedom to pay lower salaries" was important.

The next most common response was freedom from curriculum and assessment requirements (30 percent). As one survey respondent said, "We have free range to do anything we want to from teacher-to-teacher to subject-to-subject." Freedom in scheduling was the area mentioned third most often by respondents (15 percent), in terms of both hours of the day and length of the school

[31] These responses were compiled from an open-ended item on the school survey that was asked of those respondents reporting that the school's charter had "enabled your school to depart from or waive any existing state laws and/or regulations that apply to other public schools."

year. One respondent said that, as a charter school, "We can set our start date and end date and...the hours of days we are operational." Moreover, another respondent said that his/her charter school had freedom in the "...way we set up our scheduling.... I don't believe that public schools can have the same possibility of combining independent study with classroom time."

Other freedoms cited by small percentages of schools included flexibility in budget, enrollment/class size, bilingual issues, facilities, special education, expulsion/disciplinary policies, attendance, governance and decision-making, transportation, exemption from state codes and bureaucracy in general, and having an independent board.

The site visit schools appeared to confirm at least one of these findings: several benefited from the freedom to hire uncredentialed teachers. Freedom from procurement procedures required of noncharter schools was reported by one school. (Respondents at this school indicated that their ability to exploit purchasing flexibility was due to the type of authorizer that awarded their charter.)

Are there any federal regulations that charter schools cite as particularly problematic?

The majority of charter schools did not find federal regulations to be problematic. However, among those respondents who did cite federal regulations as a barrier, special education was cited as the most problematic area of federal regulation.

Given the federal government's support for charter schools and for some of the regulatory freedoms implied by the charter movement, Congress and the U.S. Department of Education have been interested in whether any federal regulations have been barriers to charter schools. The majority of charter schools (58 percent) reported that they did not find federal regulations to be a difficult barrier to overcome. Federal regulations were identified as a "very difficult" barrier by only 2 percent of charter schools, a "somewhat or moderately difficult" barrier by 17 percent, and a "slightly difficult" barrier by 23 percent.

Of the schools reporting that federal regulations were either somewhat difficult or very difficult barriers to overcome (n=71), more than half (n=37) cited special education rules and regulations as problematic. Other regulations that were cited by a few respondents included Title I, student selection policies,[32] the school lunch program, and the Safe and Drug-Free Schools provisions.

Charter School Authority and Control

To what extent do charter schools share authority and control?

In general, charter schools had the greatest amount of authority over the day-to-day operations of the school and the least with respect to teacher certification. With the exception of teacher certification, however, a majority of charter schools reported full authority on all key issues. Moreover, a higher proportion of newly created schools than of conversion schools reported full authority.

The extent to which charter schools share authority and control with their authorizers and other agencies is difficult to document. To begin with, the degree of control and authority realized by charter schools varies by school program area. Other distinctions are based on the school's status (i.e., newly created or conversion). Moreover, with respect to the areas where authority is shared, charter schools often share authority with multiple entities, a finding discussed later in this chapter.

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[32] This response may be referring to the PCSP requirement that students in oversubscribed charter schools be selected by lottery.

According to the data presented in Exhibit 3-1, charter schools had the greatest amount of authority over the day-to-day operations of the school. For example, more than two-thirds of all charter schools reported full authority over the following: daily schedule; purchasing of supplies and equipment; staff hiring, discipline, and dismissal; and budgetary expenses.

Regarding the areas for which charter schools had full authority, 2000-01 school survey findings are relatively consistent with the 1998-99 findings from RPP International. Although RPP asked charter schools about "primary control" rather than about "full" or "shared" authority, the findings are similar. Across both studies, for example, the top three areas for which charter schools reported either "primary control" or "full authority" were: (1) daily schedule (RPP: 95 percent; SRI: 80 percent); (2) purchasing supplies and equipment (RPP: 88 percent; SRI: 76 percent); and (3) hiring of teaching staff (RPP: 88 percent; SRI: 70 percent).

As illustrated in Exhibit 3-1, relatively few charter schools (31 percent) reported full authority with respect to teacher certification—this is also the area for which the highest proportion of charter schools (32 percent) reported that they had no authority. With the exception of teacher certification, the majority of charter schools reported that they had either full or shared authority over the important decisions and policies listed in the exhibit.

Exhibit 3-1
AREAS FOR WHICH CHARTER SCHOOLS REPORTED FULL AUTHORITY, SHARED AUTHORITY, AND NO AUTHORITY

Area of Authority	Percentage of Schools (n=377)		
	Full Authority	Shared Authority	No Authority
Daily schedule	80	18	1
Purchasing supplies and equipment	76	23	1
Staff hiring, discipline, and dismissal	70	28	2
Budgetary expenses, not including salaries and benefits	68	27	5
Student disciplinary policies	64	33	2
Student assessment policies	60	35	4
Curriculum	59	37	3
School calendar	57	36	7
Teacher certification requirements	31	34	32

In analyzing the 2000-01 school data, the study team found that a relationship exists between the school's degree of authority and the type of charter school—newly created or conversion. In general, more newly created schools than conversion schools reported full authority. As Exhibit 3-2 indicates, this finding holds for every area asked about in the 2000-01 survey. The biggest differences related to school calendar and student discipline. Whereas 60 percent of newly created schools reported full authority over the school calendar, only 45 percent of conversion schools did. Similarly, 67 percent of newly created schools reported full authority over student disciplinary policies, compared with 53 percent of conversion schools.

Exhibit 3-2
AREAS FOR WHICH CHARTER SCHOOLS REPORTED FULL AUTHORITY, BY SCHOOL TYPE

Area of Authority	Percentage of Schools	
	Newly Created Schools (n=281)	Conversion Schools (n=53)
Daily schedule**	82	72
Purchasing supplies and equipment	78	70
Staff hiring, discipline, and dismissal**	73	66
Budgetary expenses, not including salaries and benefits	70	62
Student disciplinary policies**	67	53
Student assessment policies**	63	51
Curriculum	61	51
School calendar**	60	45
Teacher certification requirements	33	26

**p<.05

In what areas and with what entities do charter schools share authority?

Depending on the area of authority in question, charter schools may share authority with multiple entities, including states, authorizers, education management organizations, and other agencies. In general, charter schools were most likely to share authority with their authorizers and, to a lesser extent, with state education agencies.

Schools that had full or no authority over certain decisions at least appeared to know exactly where they stood with respect to other entities. On the other hand, those schools that shared authority appeared to have more complex decision-making arrangements. This section discusses the dynamics of shared authority.

Exhibit 3-1 (see preceding section) illustrates the incidence of shared authority, from the perspective of charter schools. One-third or more of all charter schools reported that they shared authority on curriculum (37 percent), school calendar (36 percent), student assessment policies (35 percent), teacher certification requirements (34 percent), and student disciplinary policies (33 percent). Daily schedule is the area in which charter schools were least likely to share authority because they were most likely to have full authority (see Exhibit 3-2).

Charter schools reported sharing authority with various entities, including state education agencies, charter school authorizers, and education management organizations (EMOs). As Exhibit 3-3 indicates, charter schools often shared authority with multiple entities, rather than just one group.

Although the entities with which charter schools shared authority largely depended on the area of operations, charter schools were more likely to share authority with their authorizers than any other entity. For example, 58 percent of schools shared authority for purchasing of supplies and equipment with their authorizers. In comparison, a smaller proportion of schools reported sharing this authority with the state (20 percent), an EMO (21 percent), or other agencies (12 percent). Similarly, 58 percent of schools shared authority with their authorizers for budgetary expenses other than staff salaries and benefits, a higher percentage than schools that reported sharing this authority with the state (25 percent), an EMO (19 percent), or other agencies (14 percent).

In two key areas, certification requirements and curriculum, large proportions of charter schools reported that they shared authority with their state education agency. In fact, 70 percent of charter schools with shared authority identified the state as the entity with which they shared authority

regarding teacher certification. For all areas, even though charter schools were more likely to share authority with authorizers than with state education agencies, states played a fairly significant authority-sharing role.

In general, the authority shared with education management organizations (EMOs) was rather limited; only 19 percent of charter schools reported having an arrangement with this type of organization. (Relationships with EMOs are discussed in more detail in Chapter 4.) Among schools that reported shared authority, the most significant roles of EMOs were in the purchasing of supplies and equipment; budgetary expenses, not including salaries and benefits; and the daily schedule.

Exhibit 3-3
ENTITIES WITH WHICH CHARTER SCHOOLS REPORTED SHARING AUTHORITY

Area of Authority	Percentage of Schools[a]			
	Authorizer	State	Education Management Organization	Other
Budgetary expenses, not including salaries and benefits (n=101)	58	25	19	14
Purchasing of supplies and equipment (n=86)	58	20	21	12
Staff hiring, discipline, and dismissal (n=105)	57	21	14	12
Student disciplinary policies (n=126)	53	31	10	13
Student assessment policies (n=132)	48	36	11	13
School calendar (n=137)	46	39	9	10
Daily schedule (n=68)	44	40	18	10
Curriculum (n=139)	35	53	14	7
Teacher certification requirements (n=128)	34	70	3	4

[a]Percentages of schools in rows total more than 100 percent because multiple responses were allowed.

How do the school and authorizer perceptions of control and authority compare?

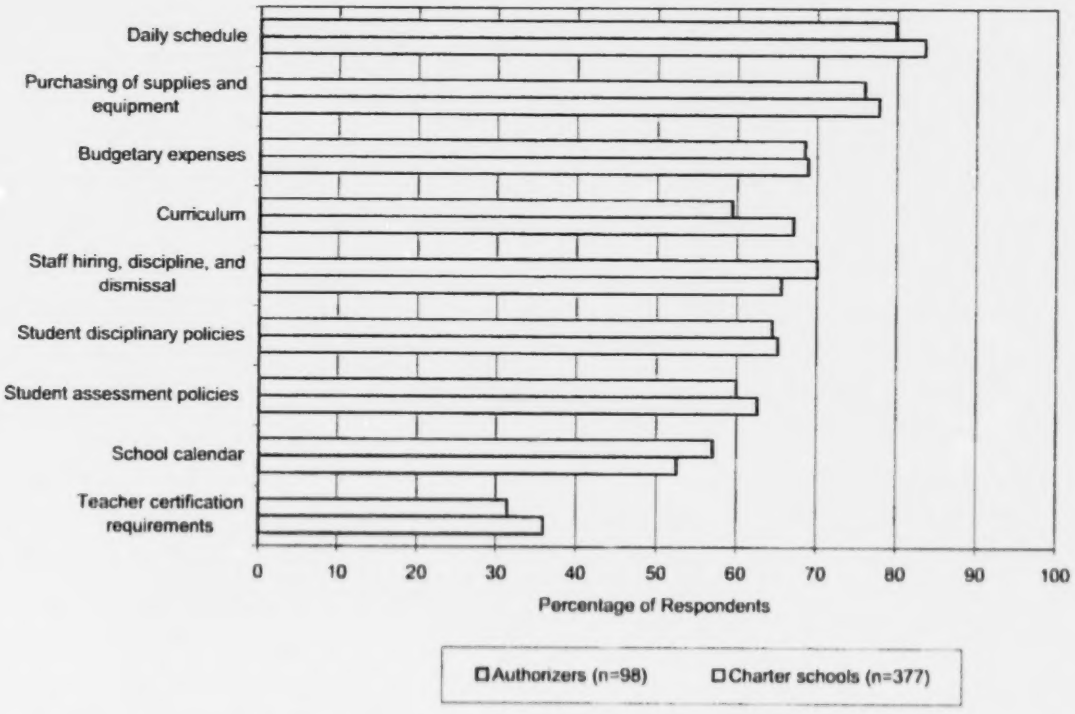
For the most part, both schools and authorizers held similar perceptions regarding the areas over which charter schools had authority. However, in most areas, authorizers appeared to believe that charter schools had more authority than the schools themselves reported. At the same time, authorizers were more likely than schools to report that their schools had no authority in most areas. In general, authorizers reported less sharing of authority than did schools.

So far, this chapter has been a summary of the perceptions of flexibility, authority, and control from the perspective of charter schools. But how do these perceptions compare with those of charter school authorizers? Perceptions of charter schools and authorizers were similar in many ways but markedly different in others. These similarities and differences in perceptions of authority are discussed in detail below.

For the most part, both schools and authorizers reported similar perceptions of the areas over which charter schools had authority. As shown in Exhibit 3-4, the majority of charter authorizers, like charter schools themselves, reported that schools had full authority in their day-to-day activities. The highest proportions of schools and authorizers reported that charter schools had full authority over the daily schedule (80 percent schools, 83 percent authorizers) and purchasing of supplies and equipment (76 percent schools, 78 percent authorizers). Similarly, the lowest proportions of schools and authorizers reported full authority over teacher certification (31 percent schools, 36

percent authorizers) and the school calendar (57 percent schools, 53 percent authorizers). With the exception of staff hiring and school calendar, authorizers were more likely than schools themselves to report that schools had full authority. In general, the differences between authorizer and charter school reports of full authority were slight; the most apparent differences in perspective were those regarding charter school authority over teacher certification and curriculum. In both cases, more authorizers than schools reported that schools had full authority.

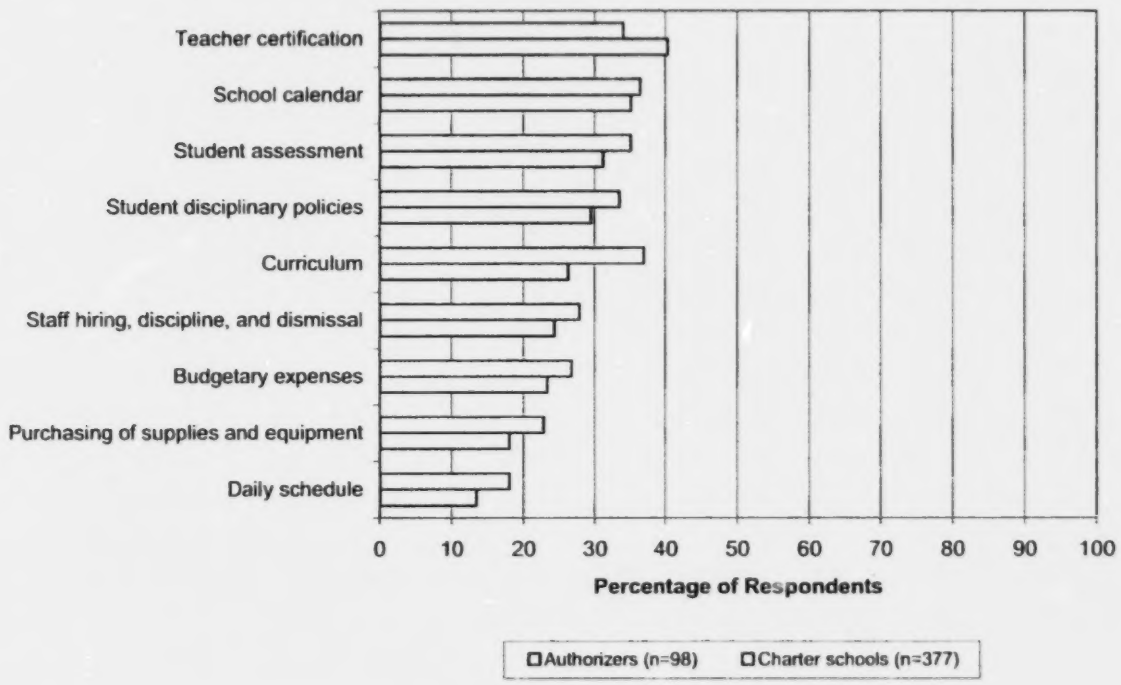
Exhibit 3-4
SCHOOL AND AUTHORIZER REPORTS OF AREAS WHERE CHARTER SCHOOLS HAVE FULL AUTHORITY



In terms of the opposite of full authority—no authority—authorizers were more likely than schools to report that charter schools had no authority in nearly every area. The only exception to this finding is teacher certification, where a higher proportion of charter schools (32 percent) than authorizers (24 percent) reported that schools had no authority.

With respect to shared decision-making authority, authorizers generally reported less sharing of authority than did charter schools (Exhibit 3-5). However, in most cases, the differences were small. As mentioned previously, the data regarding shared authority indicate a complex decision-making dynamic between the schools and other entities. Furthermore, the perspectives of charter schools and charter school authorizers on the issue of shared authority reveal the greatest divergence of opinion between the two groups. Exhibit 3-6 provides greater detail on how both charter schools and charter school authorizers perceived shared authority.

Exhibit 3-5
SCHOOL AND AUTHORIZER REPORTS OF AREAS OF SHARED AUTHORITY



Authorizers, like schools, reported that decision-making responsibility for almost all areas was shared most frequently between charter schools and their authorizers. The major difference is that authorizers were more likely than the schools to report sharing of authority between themselves and the schools. This difference applies to all areas (Exhibit 3-6). For example, although the largest proportions of both authorizers and schools reported that charter schools shared authority with their authorizers in the purchasing of supplies and equipment and in budgetary expenses, there was much greater agreement among authorizers than among schools. In fact, 92 percent of authorizers reported sharing authority with schools for purchasing of supplies and equipment, compared with 58 percent of schools.

Exhibit 3-6
REPORTS OF SHARED AUTHORITY DECISION-MAKING BETWEEN SCHOOLS AND AUTHORIZERS

Area of Authority	Authorizer Survey Data		School Survey Data	
	Number of Authorizers Reporting Shared Authority[a]	Percentage of Authorizers Reporting Schools Share Authority with Authorizer (weighted)	Number of Schools Reporting Shared Authority[a]	Percentage of Schools Reporting School Shares Authority with Authorizer
Teacher certification	39	53	128	34
Curriculum	28	71	139	35
Staff hiring, discipline, and dismissal	24	70	105	57
Daily schedule	14	73	68	44
School calendar	34	72	137	46
Student assessment policies	29	77	132	48
Student disciplinary policies	28	75	126	53
Budgetary expenses, not including salaries and benefits	23	86	101	58
Purchasing of supplies and equipment	16	92	86	58

[a]Both authorizers and schools were first asked whether schools had "full authority," "shared authority," or "no authority" over each area. This column refers to the number of authorizers/schools that reported that schools "shared authority," of the 100 authorizers and 381 schools. All the respondents who reported shared authority were then asked whether the authority was shared with the authorizer, the state (if different from the authorizer), an education management company/organization, or some other organization. For example, of the 39 authorizers reporting that schools shared authority over *teacher certification*, 53 percent reported that the schools shared this authority with the authorizer.

According to both authorizers and schools, the second most frequently cited entity with which charter schools shared authority was the state.[33] However, in nearly all areas, charter schools reported more sharing of authority with states than authorizers did. Whereas there was little difference between charter school and authorizer data regarding staff hiring and student discipline, the other areas regarding shared authority with the state varied greatly. For example, 20 percent of charter schools reported that they shared authority over the purchasing of supplies and equipment with the state, whereas authorizers reported that no schools did so. Moreover, 70 percent of schools reported that they shared authority with the state on teacher certification, compared with 47 percent of authorizers.

Finally, with respect to shared authority, the EMO role does not appear to be a significant story from the perspective of either charter schools or their authorizers. In general, charter schools were more likely than authorizers to report that EMOs shared some decision-making authority. For example, more than 10 percent of the schools reported shared authority with an EMO in almost every category (see the categories in Exhibit 3-6 for the list). Authorizers, on the other hand, reported that there was no shared authority between schools and EMOs in all but three categories: budget (4.5 percent), discipline (3.5 percent), and teacher certification (2.6 percent). All in all, the differences between school and authorizer perspectives on shared authority with EMOs seem less significant than the fact that both groups reported low levels of it.

[33] In this context, "state" refers to state-level entities when the state is not the charter school authorizer.

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So far, the chapters of the report have presented information about the basic characteristics of charter schools and charter school authorizers (Chapter 1), accountability (Chapter 2), and flexibility (Chapter 3). In Chapter 4, information about support for charter schools from external sources is presented in detail.

CHAPTER 4
CHARTER SCHOOLS AND SUPPORT FROM EXTERNAL AGENCIES

In previous chapters, charter school and authorizer data have been used to answer evaluation questions about the basic characteristics of these entities (Chapter 1), their accountability relationships (Chapter 2), and charter school flexibility (Chapter 3). In this chapter, the focus is on the support received by charter schools from external agencies. *Support* is a broad term that, in this report, includes the combination of technical and financial assistance provided to charter schools from external sources. (The term is also intended to differentiate support relationships from the accountability relationships that were described in Chapter 2.)

As public schools, charter schools are eligible to receive a variety of funds from outside agencies and organizations, including states and the federal government. However, there can be serious financial strains, especially for the schools that are started from scratch and especially in the early years before multiple sources of funds are fully tapped. Circumstances vary within and across states,[34] but charter schools often find themselves needing to cover operational costs (e.g., facilities, leases) from public revenues that are not intended to meet these expenses. (Per pupil revenues usually are intended to meet ongoing educational costs, not capital costs.) As a result, charter schools often seek both money and information from outside groups as the founding teachers, administrators, and parents begin the daunting process of opening and running a school.

This chapter examines the technical-assistance and financial relationships charter schools have with government and nongovernment agencies. It begins by discussing the extent to which charter schools receive support through the federal Public Charter Schools Program. Next, it focuses on the relationships between charter schools and their authorizers and between charter schools and for-profit and nonprofit agencies. Finally, it discusses other sources of technical assistance to charter schools, including states and the federal government.

Federal Financial Support: The Public Charter Schools Program

The Public Charter Schools Program of the U.S. Department of Education provides funding for charter school planning, implementation, and dissemination grants. The PCSP was enacted in 1994 as Title X, Part C, of the Elementary and Secondary Education Act. From 1995 to 2001, the U.S. Department of Education awarded a total of $590 million in grants to states and individual charter schools across the country in an effort to expand the number of high-quality schools available to students in the United States.[35] This study's 1999-2000 evaluation report describes the Public Charter Schools Program in more detail.[36]

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[34] For additional information about charter school finance, see Nelson et al. (2000).

[35] In most cases, PCSP grants are awarded to state education agencies which, in turn, allocate these funds to schools as subgrants. In some states (e.g., Arizona), however, PCSP funds are awarded directly to schools.

[36] See U.S. Department of Education (2000), Chapter 2, for more information about the Public Charter Schools Program.

What proportions of charter schools nationally and by state have received PCSP grants, and what accounts for the differences among those who have and have not received funds?

Nearly two-thirds of operating charter schools reported that they had received PCSP funds at some time.

Across the country, a large number of charter schools have received funding through the Public Charter Schools Program. In 1998-99, 48 percent of charter schools reported that they had received PCSP funds. Among those that did not receive PCSP subgrants, one-quarter reported that they had applied for funds.

According to the 2000-01 data, 61 percent of schools reported receiving either PCSP subgrants through their states or grants directly from the U.S. Department of Education. It is important to note that an additional 10 percent of the schools did not know whether they had received this funding. Of the schools that either did not receive PCSP funds or did not know whether they had (almost 40 percent of the sample), about half had applied for PCSP funds but had not been awarded subgrants. The other half had never applied for federal funding through this program.[37]

In face-to-face interviews with school directors during site visits in 2000-01, knowledge of PCSP funds at the school level was found to be limited. There are several possible reasons for this finding. First, high turnover among school directors in the site visit sample sometimes affected the team's ability to get accurate information about whether and when schools had received PCSP funds. A second source of confusion was that school directors thought they were receiving state charter school funding when, in fact, they were receiving federal funds that flowed through the state. Third, some administrator respondents were unsure whether they had received this funding because someone at the district or another organization managed or controlled the school's budget.

Site visit data, coupled with the finding that schools report data that sometimes are inconsistent with data from their state education agencies, indicate that the PCSP "name recognition" is not universal. Estimates of PCSP funding incidence drawn from self-reports in the school survey may understate the actual distribution of these funds. In spite of this finding, almost two-thirds of charter schools reported receiving funds. The remainder of this section is based on this subset of the charter school population that reported PCSP funding at some point during their existence.

PCSP provides funding for charter school planning, implementation, and, more recently, dissemination of promising charter school practices. The percentage of schools that reported receiving each type of subgrant is displayed in Exhibit 4-1. In some states, schools are eligible for different types of subgrant at different times, so the table includes schools that reported receiving more than one type of subgrant.

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[37] A preliminary analysis of PCSP subgrant-making activities by states suggests that large proportions of schools received these funds, especially during the early years of the program. Charter schools are eligible for start-up subgrants during their planning and early implementation phases. The number of schools eligible for start-up subgrants is a subset of all charter schools; some charter schools have been in operation long enough to no longer be eligible for these funds. (As described later in this section, charter schools that have been in operation for at least three years are eligible to apply for dissemination subgrants. Dissemination subgrants are also part of the estimates of the incidence of PCSP funding reported in this chapter.)

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Exhibit 4-1
SCHOOLS RECEIVING PCSP FUNDS, BY TYPE OF SUBGRANT

Type of PCSP Subgrant	Percentage of Schools (n=196)
Planning	45
Implementation	63
Dissemination	22

Since each state determines the process and criteria for PCSP funding, there is wide variation in the way in which subgrants are awarded, as well as in the stage at which charter schools are eligible to receive these funds. As documented in the 1999-2000 report, states provide planning subgrants to schools at various stages of development. Some states award planning subgrants to schools that are still in preliminary stages of their charter school application; some do not award subgrants until the founders receive a charter. In addition, some states do not distinguish planning subgrants from implementation subgrants. Perhaps because of different eligibility criteria for planning grants and, in some cases, nondifferentiation between planning and implementation grants, schools were less likely to report receiving planning grants than implementation grants.

The low proportion of schools receiving dissemination grants, on the other hand, is most likely linked to the federal eligibility requirements for these grants. States are allowed to set aside up to 10 percent of their PCSP grants to award dissemination subgrants to charter schools. To receive a dissemination subgrant, a school must be in operation for at least three years and must have demonstrated high levels of parent satisfaction, increased student performance, and strong leadership. As the name implies, dissemination subgrants are intended to help charter schools disseminate information about their effective programs to other schools.

Finally, the proportion of schools that receive PCSP funds within states varies from 34 percent to 100 percent. Please note that the 2000-01 sample of charter schools was not stratified or weighted by state (or by any other stratifier), so the team's conclusions about state-by-state variation must be interpreted with caution. State-by-state variation in the distribution of PCSP subgrants may be linked to the process states use to allocate these funds. Charter schools located in states that reported that all eligible applicants received PCSP funds were more likely to report that they had received these funds (68 percent) than schools located in states where these federal funds were awarded competitively (59 percent).[38] However, this finding does not hold for all states. Some states reporting a competitive process (particularly those with a small number of charter schools overall) also have awarded PCSP funds to all of their schools.

What are the differences between charter schools that receive PCSP subgrants and those that do not?

Charter schools authorized by state boards of education were somewhat more likely to receive PCSP subgrants than schools that were authorized by nonstate entities.

In addition to the state-level differences in schools that received PCSP funding, there was at least one difference between the types of schools that received these subgrants and the types that did not. The relationship between receipt of subgrants and the type of authorizer that awarded the charter to the school was found to be statistically significant. That is, schools chartered by local boards were less likely to report receiving PCSP funds as a source of start-up funds than schools chartered by non-local authorizers (i.e., states and universities): 67 percent of schools with state authorizers reported that they had received PCSP money, compared with 59 percent of schools

[38] The states' methods for awarding subgrants were identified in the 1999-2000 report. State charter school coordinators will be surveyed again in 2002.

with university authorizers and 54 percent of those with local authorizers. On the other hand, the relationship between a school's status (newly created or conversion) and the likelihood of receiving PCSP funds was not statistically significant.

What activities do PCSP funds support?

Both PCSP start-up and dissemination subgrants were used to support similar areas, although the funds for each type of grant were used in different ways. Charter schools had a fair amount of latitude in how they spent their subgrants.

In general, both the PCSP start-up (planning and early implementation) subgrants and dissemination subgrants were most often used to support materials development, professional development, and computer hardware or software purchases. However, because the purposes of the grants are different, funds were used in different ways. For example, start-up subgrants were often used for curriculum development, while dissemination subgrants were used to develop materials for general distribution or for use in professional development events that a charter school might sponsor for other educators.

By design, charter schools have a fair amount of latitude in how they spend their subgrants. The 1999-2000 data from states and authorizers confirmed this flexibility, as did the 2000-01 data from charter schools. Exhibit 4-2 presents the different budget categories on which schools spent their start-up and dissemination subgrants. Most charter schools allocated start-up funds toward three areas: the purchase of curriculum or instructional materials (83 percent), professional development or training (79 percent), and the purchase of computer hardware or software (76 percent). More than half of the recipients of planning and implementation grants allocated these funds to consultants (59 percent) and salaries (55 percent).

Charter schools that have received dissemination grants allocated these funds for slightly different purposes than planning and implementation grants. This finding makes sense in light of the later stage of development represented by these recipients and the different emphasis of this type of subgrant. The last column of Exhibit 4-2 reports the percentage of schools that spent dissemination funds on each area. Most charter schools allocated dissemination funds to materials development (84 percent). In addition, large proportions spent these funds on professional development or training (79 percent) and purchasing computer hardware and software (72 percent). As illustrated in the start-up subgrant column, planning and implementation grants also were frequently targeted to these two areas. Nearly two-thirds of the grantees awarded dissemination grants also spent these funds on meetings, travel, and salaries.

Exhibit 4-2
ALLOCATION OF START-UP SUBGRANTS AND DISSEMINATION SUBGRANTS BY CHARTER SCHOOLS

Area/Activity	Percentage of Schools	
	Start-up Subgrants (n=142)	Dissemination Subgrants (n=44)
Curriculum or instructional materials	83	Not applicable for dissemination subgrants
Minor renovations or remodeling	47	
Renting or leasing building or space	41	
Professional development or training	79 (includes travel)	79
Computer hardware or software	76	72
Consultants	59	49
Salaries for staff/support staff	55	64
Marketing, recruiting, public relations	43	31
Materials development	Not applicable for start-up subgrants	84
Travel		65
Meetings		60

How important are PCSP funds to charter schools?

Of schools that reported that they had received PCSP funds, more than two-thirds reported that their school would not have opened or stayed open without the PCSP support. For all the schools in the sample, the greatest barriers to charter school operations continued to be lack of adequate finances in general and, more specifically, the lack of start-up funds.

The 2000-01 school survey included a series of questions about the importance of PCSP funds to the charter schools that reported receiving them. PCSP funds appear to be very important to charter schools at different stages of development. For example, very few schools (11 percent) strongly or somewhat agreed that PCSP funds had no effect. By contrast, 94 percent of schools strongly or somewhat agreed that PCSP funds allowed them "to do certain things or to do them sooner." Almost two-thirds (62 percent) of charter schools agreed that their schools would not have opened or remained open without PCSP funds. Fewer respondents agreed that the availability of PCSP funds was the reason that they decided to establish charter schools: 35 percent agreed with this statement. However, this is a very high figure for such a strongly worded statement. Exhibit 4-3 shows charter schools' mean rating of the impact of PCSP funds.

There is an interesting difference between responses of newly created schools and conversion schools on these statements. Statistically significant differences were found for two items: new schools were more likely than conversion schools to agree with the statement "Our school would not have opened or stayed open without PCSP funds." Conversely, conversions were more likely than new schools to agree with the statement "PCSP funds added to our bottom line but they were not critical to our operation as a charter school." Both of these findings imply that newly created schools rely on these funds more than do conversion schools.

Exhibit 4-3
CHARTER SCHOOL REPORTS OF THE IMPACT OF PCSP FUNDS

	Mean		
	All Schools (n=183)	Newly Created (n=135)	Con-version (n=48)
PCSP funds allowed us to do certain things or to do them sooner than if we did not receive these funds	3.71	3.70	3.76
Our school would not have opened or stayed open without PCSP funds***	2.91	3.11	2.43
The availability of PCSP funds is the reason that we decided to establish a charter school	2.17	2.20	1.89
PCSP funds added to our bottom line but they were not critical to our operation as a charter school*	2.11	2.07	2.43
PCSP funds have had no effect on our operation	1.49	1.42	1.64

Note: The mean scores are based on converting responses to a 4-point scale with "strongly agree" equal to 4, "somewhat agree" equal to 3, "somewhat disagree" equal to 2, and "strongly disagree" equal to 1. *p<.10, ***p<.01 for differences between newly created and conversion schools.

A key rationale for establishing the Public Charter Schools Program was a finding from the early research on charter schools that the lack of start-up funds was a major barrier to schools at the planning and early implementation stages (RPP International & University of Minnesota, 1997). Exhibit 4-4 presents the data on charter school barriers generally, so that start-up funding and financing barriers can be viewed in the context of other barriers. According to these data, more than half of charter schools rated inadequate finances as a moderately or very difficult barrier to overcome. Almost half said the same thing about the lack of start-up funds. According to the mean responses for these barriers, they remain the two most difficult issues facing charter schools.[39]

Exhibit 4-4 also presents charter school responses regarding the difficulty posed by other barriers and includes the mean difficulty rating for each barrier. In addition to financial barriers discussed in the preceding paragraph, inadequate facilities are frequently cited as a barrier that is difficult to overcome. On the other end of the spectrum, the lowest three mean scores were assigned to union/bargaining unit opposition, health/safety regulations, and collective bargaining agreements.

[39] "Lack of start-up funds" and "inadequate operating funds" were also the leading barriers for "new" (newly created) charter schools surveyed by RPP International. The SRI survey asked these questions of all charter schools; hence the responses are not comparable. However, it is significant that inadequate finances and lack of start-up funds have been the most frequently cited barriers facing charter schools since 1996 (Nelson et al., 2000, pp. 44-45).

Exhibit 4-4
CHARTER SCHOOLS' RATINGS OF DIFFICULTY IN OVERCOMING BARRIERS

Barrier	Percentage of Schools				Mean[a]
	Not at All Difficult	Slightly Difficult	Somewhat or Moderately Difficult	Very Difficult	
Inadequate finances (n=367)	28	18	29	25	2.51
Lack of start-up funds (n=319)	41	11	20	28	2.35
Inadequate facilities (n=365)	31	20	27	22	2.18
Lack of planning time (n=365)	35	26	28	11	2.16
Recruiting staff (n=369)	36	24	29	11	2.16
Lack of parental support (n=369)	35	30	25	10	2.10
Teacher burnout (n=368)	38	29	28	5	2.00
Student mobility (n=361)	41	25	28	6	1.99
Student discipline (n=369)	37	33	27	8	1.98
Student attendance (n=369)	40	28	28	4	1.97
State or authorizer assessment requirements (n=364)	46	21	24	9	1.95
Teacher turnover (n=363)	44	26	23	7	1.92
State or local board opposition (n=358)	51	20	20	9	1.88
State department resistance or regulations (n=343)	53	16	21	10	1.88
Authorizer resistance or regulations (n=362)	52	20	19	8	1.84
Teacher certification requirements (n=359)	53	22	20	5	1.77
Federal regulations (n=363)	58	23	17	2	1.64
Internal disagreements (n=359)	57	32	8	3	1.56
Union or bargaining unit opposition (n=245)	75	11	10	4	1.44
Health and safety regulations (n=359)	69	20	10	1	1.43
Collective bargaining agreements (n=236)	78	11	7	4	1.36

[a]The mean scores are based on converting responses to a 4-point scale with "very difficult" equal to 4, "somewhat or moderately difficult" equal to 3, "slightly difficult" equal to 2, and "not at all difficult" equal to 1.

As illustrated in Exhibit 4-5, there were nine statistically significant differences related to school type: inadequate finances, lack of start-up funds, inadequate facilities, recruiting staff, teacher burnout, student discipline, teacher turnover, teacher certification requirements, and health and safety regulations. Newly created schools were more likely to report difficulty overcoming these barriers than were conversion schools.

For PCSP status, there were three significant differences: inadequate finances, inadequate facilities, and collective bargaining agreements.

Interestingly, schools that received PCSP funds were more likely to regard inadequate finances as a barrier than those schools that did not report having received PCSP grants. This finding may indicate that schools that apply for and receive PCSP funding are in greater need than those that do not. Perhaps those that do not receive PCSP funds receive financial support from another agency,

such as their authorizer or a private business.[40] Conversion schools were more likely than new schools to report having difficulty overcoming barriers posed by collective bargaining agreements.

Exhibit 4-5
CHARTER SCHOOLS' MEAN RATINGS OF DIFFICULTY IN OVERCOMING BARRIERS, BY SCHOOL TYPE AND PCSP STATUS

Barrier	Means			
	School Type		PCSP Status	
	Newly Created Schools	Conversion Schools	PCSP Grant Recipient	PCSP Grant Nonrecipient
Inadequate finances (n=367)	2.621***	2.174***	2.632**	2.290
Lack of start-up funds (n=319)	2.500***	1.890***	2.462	2.213
Inadequate facilities (n=365)	2.525***	2.045***	2.490*	2.250*
Recruiting staff (n=369)	2.243***	1.852***	2.137	2.140
Teacher burnout (n=368)	2.057**	1.823**	1.985	1.944
Student discipline (n=369)	2.051**	1.775**	2.004	1.844
Teacher turnover (n=363)	1.996**	1.710**	1.931	1.902
Teacher certification requirements (n=359)	1.829**	1.560**	1.756	1.780
Health and safety regulations (n=359)	1.485**	1.297**	1.460	1.412
Collective bargaining agreements (n=236)	1.352	1.403	1.261*	1.435*

*p<.10, **p<.05, ***p<.01

Note: The mean scores are based on converting responses to a 4-point scale with "very difficult" equal to 4, "somewhat or moderately difficult" equal to 3, "slightly difficult" equal to 2, and "not at all difficult" equal to 1.

Schools authorized by non-local boards (state agencies and universities) were more likely to report difficulty overcoming the following barriers than schools authorized by local boards: recruiting staff, lack of start-up funds, inadequate finances, internal disagreements, health and safety regulations, federal regulations, teacher certification requirements, lack of parental support, student mobility, and student discipline.

[40] Please note that RPP data from 1998-99 do not reveal the same pattern between PCSP recipients and nonrecipients regarding their perceptions about inadequate finances. The difference between recipients and nonrecipients on this barrier was not statistically significant, according to the RPP survey data obtained by the SRI study team.

Relationship with Authorizers

The relationships between charter schools and their authorizers are as varied as the charter school movement itself. In some cases, authorizers provide assistance and monetary support. In others, authorizers provide direct services to schools, from payroll and bookkeeping to special education services. The assistance provided by authorizers, though central to the operation of many charter schools, has seldom been discussed in past research. The 2000-01 data indicate not only that authorizers play an important role in assisting their schools, but also that this role varies by type of authorizer.

What support and services do authorizers provide to their charter schools?

Charter school authorizers were more likely to offer the schools that they chartered direct technical assistance, professional development, and/or staff training than other types of support. The content of this assistance covered a wide range of topics related to education policies that affect the schools, as well as day-to-day operational issues.

Authorizers provide varying degrees of support and services to their charter schools. The 2000-01 authorizer survey included a question about the general types of support authorizers provide to charter schools: monetary support; in-kind support; and technical assistance, professional development, or training. The survey also included a question about what types of support authorizers help schools obtain from other sources (or services "brokered" by authorizers). Data for both questions are displayed in Exhibit 4-6. Authorizers were more likely to provide technical assistance, staff development, or training than monetary or in-kind support: 78 percent of all authorizers provided the former to their schools. The school-level survey data support this finding, although the questions posed to the two samples were not exactly the same. Most schools (82 percent) reported that they "received information or assistance of any kind" from their charter school authorizers.

In addition to providing support and services directly to schools, some authorizers "broker" these services—that is, support is provided to schools by other organizations, and the authorizers help schools to obtain it. The data in the brokered-assistance column in Exhibit 4-6 can be compared with the data on direct support. For example, authorizers were more likely to directly provide technical assistance, professional development, or training than to assist their schools in obtaining this support from other sources (78 percent vs. 29 percent). On the other hand, authorizers were more likely to assist their schools in acquiring in-kind support than to provide in-kind support directly (37 percent vs. 20 percent). About the same proportion of those who directly provided monetary support (45 percent) assisted their schools in obtaining monetary support from other sources (42 percent).

Exhibit 4-6
ASSISTANCE PROVIDED TO CHARTER SCHOOLS BY AUTHORIZERS

	Percentage of Authorizers (weighted) (n=100)	
	Assistance Provided to Charter Schools by Authorizers[a]	Assistance Brokered by Authorizers
Technical assistance, professional development, or staff training	78	29
Monetary support	45	42
In-kind support	20	37

[a]Note: Approximately 11 percent of authorizers did not provide any of these types of assistance to their schools directly.

The authorizers that assisted their schools in obtaining monetary support from other sources tended to target the state department of education (91 percent), the U.S. Department of Education (51 percent), and private donors (46 percent). Fewer than 20 percent of authorizers helped their schools obtain funds from a municipal government, community development organization, or financial institution. Authorizers frequently provided their schools with information about funding opportunities (82 percent of authorizers did this) or provided letters of support (62 percent). Only one-third of the authorizers reported that they actually prepared proposals seeking funding for their schools.

The technical assistance, professional development, or training provided by authorizers focused on a variety of topics, as indicated in Exhibit 4-7. Authorizers were most likely to provide technical assistance in the areas of accountability; curriculum, instruction, and assessment; and special education. They were least likely to provide this assistance in the area of fund-raising.

Exhibit 4-7
TECHNICAL ASSISTANCE, PROFESSIONAL DEVELOPMENT, OR STAFF TRAINING PROVIDED BY AUTHORIZERS

Focus of Assistance	Percentage of Authorizers (weighted) (n=78)
Accountability	90
Curriculum, instruction, and assessment	88
Special education	86
Finance, business operations, and facilities	79
Policy clarification	70
Legal matters	67
Governance	59
Staffing and labor relations	49
Fund-raising	8

What financial arrangements do authorizers have with schools regarding the provision of services?

Most charter school authorizers employed some mechanism to recover some of the costs of assisting and monitoring charter schools. The most commonly used mechanism was retention of some percentage of the per pupil revenues allocated to a charter school. However, many of the services rendered to charter schools by their authorizers were provided at no cost to the schools.

In addition to the support mentioned above, charter authorizers provide a number of services to schools.[41] Exhibit 4-8 indicates the percentages of authorizers providing different kinds of services to their charter schools. The most common services provided to schools were the following: administrative oversight, monitoring, and evaluation (75 percent); assistance in meeting state or federal regulations (73 percent); special education services (70 percent); and special education testing and assessment (69 percent).

Exhibit 4-8
SPECIFIC TYPES OF ASSISTANCE PROVIDED BY AUTHORIZERS TO CHARTER SCHOOLS

	Percentage of Authorizers (weighted) (n=99)
Administrative oversight, monitoring, and evaluation	75
Assistance in meeting state or federal regulations	73
Special education services	70
Special education testing and assessment	69
Preparation of charter contract	60
Data management services	52
Budget preparation	49
Payroll services	43
Purchasing	43
Health services	37
Bookkeeping	37
Reduced or free rent for facilities	35
Supplies and equipment	32
Social services	29

Although the highest proportion of respondents (75 percent) identified administrative oversight, monitoring, and evaluation as assistance that they provide, it is somewhat surprising that this assistance is not universal, given the charter contract relationship between authorizer and school. The next most frequently reported type of assistance—assistance in meeting state or federal regulations—confirms findings from other studies that charter schools need help understanding the rules and regulations that apply to public schools (like those on special education). Almost three-quarters (73 percent) of charter school authorizers provided this type of assistance.

[41] Many charter school authorizers are local education agencies (LEAs) that may provide a similar variety of services to the other public schools in their jurisdictions.

Covering the costs of providing services or assistance to charter schools was an issue for some authorizers. Various mechanisms were in use for this purpose. In some cases, authorizer costs were met (or partially met) by withholding a percentage of charter schools' per pupil revenues. This practice is usually specified in charter contracts. For the most part, authorizers reported that either none or all of their charter schools were charged for the administrative costs of overseeing the schools.

Exhibit 4-9 displays the types of services provided by authorizers and whether charter schools were charged for them. This table shows the complex financial relationships between charter schools and their authorizers in terms of the services provided to schools. For any given service, the percentages given for the financing mechanism columns are only for those respondents who reported actually offering that service (shown as the n for each row). With a total sample of 100, the n is equivalent to percentage of authorizers offering the service.

Many services were provided by authorizers at no cost (e.g., most of the 60 percent of authorizers who helped prepare charter contracts did so for free). On the other hand, authorizers were less likely to provide certain other services at no cost, such as payroll services (43 percent of the respondents provided this service, and only 44 percent of these provided it for free).

Exhibit 4-9
FINANCING MECHANISMS FOR SERVICES PROVIDED BY AUTHORIZERS

	Percentage of Authorizers (weighted)			
	No Cost	Retained Funds	Flat Fee	Fee for Service
Preparation of charter contract (n=60)	84	4	6	6
Social services (n=25)	83	0	4	12
Assistance in meeting state or federal regulations (n=73)	78	5	11	6
Budget preparation (n=45)	68	2	15	15
Health services (n=32)	68	3	13	16
Reduced or free rent for facilities (n=31)	66	3	20	10
Administrative oversight, monitoring, and evaluation (n=74)	65	5	22	8
Supplies and equipment (n=27)	61	4	12	23
Special education testing and assessment (n=61)	56	5	14	25
Purchasing (n=36)	53	3	19	25
Bookkeeping (n=32)	52	3	18	27
Data management services (n=47)	61	2	19	18
Special education services (n=63)	44	7	10	39
Payroll services (n=37)	44	3	28	25

Relationship with For-Profit and Nonprofit Agencies

The involvement of for-profit companies and nonprofit organizations in charter schools is a distinctive and often controversial feature of the charter school movement. In some states, for example, for-profit education management organizations (EMOs) have used charter laws as their basis for entering the public school "market." Charter schools are often receptive to such help because many are started outside the existing school district infrastructure, a fact that may impel

them to seek out knowledgeable service providers to help them deliver their program or manage the school.

The 2000-01 survey items built on the study team's assumption that the distinction between for-profit and nonprofit legal status was the most important way to understand the involvement of "intermediary organizations" in charter schools. That is, a charter school has a relationship with its authorizer, but it may also have a relationship with another outside agency, perhaps a for-profit company like SABIS or a nonprofit organization such as the Urban League. While the 2000-01 data were being analyzed, members of the evaluation's advisory Technical Work Group suggested that the legal status of intermediary organizations may be less important than the functions they play in charter schools. Although particular roles are captured in the 2000-01 data described below, the study team's data collection plan for 2001-02 will attempt to document the roles and activities of nonprofit and for-profit companies in greater detail.

What proportion of charter schools are involved with for-profits and nonprofits, and to what extent are these relationships prohibited or allowed by authorizers?

Media reports on the growth and development of the charter school movement give an impression that the involvement of for-profit education management organizations in the movement is relatively large and growing. However, fewer than one-quarter of charter schools had relationships with EMOs. Survey data from a sample of charter school authorizers show that 72 percent of authorizers allowed or encouraged the involvement of for-profit organizations in managing schools, and 86 percent allowed or encouraged the involvement of nonprofits. Local authorizers were less likely to permit involvement of for-profit companies with charter schools.

The majority of authorizers did not have schools that had relationships with for-profit or nonprofit organizations. Despite the relatively low incidence of these relationships, the majority of authorizers either allowed or encouraged relationships with both for-profits and nonprofits: 72 percent allowed or encouraged relationships with for-profit agencies, and 86 percent allowed or encouraged relationships with nonprofits. Nearly two-thirds of authorizers that allowed or encouraged relationships with for-profits and nonprofits reported that their schools did not have these relationships (62 percent reported no schools with relationships with for-profits; 58 percent reported no schools with relationships with nonprofits).[42] On average, authorizers that did have schools with these relationships had only one school involved with each type. The range of involvement of for-profit companies in charter schools, per authorizer, was zero to 25 schools. Among authorizers, 25 percent reported one school with this kind of relationship, and 12 percent had from two to 25 schools with this relationship. In terms of nonprofits, the range of involvement was zero to 51 schools. Thirty percent of the authorizer survey respondents reported one school with a nonprofit relationship; 12 percent said that they sponsored from two to 51 schools that were involved with nonprofits. The 2000-01 school survey indicates an even lower proportion of schools involved with for-profits and nonprofits. Only 19 percent of schools reported a formal relationship with a for-profit agency, and 23 percent reported a formal relationship with a nonprofit in managing the school.

The data on for-profits and nonprofits differ by type of authorizer. Local authorizers were slightly more likely to prohibit a relationship with a for-profit: 31 percent of local authorizers, compared with 22 percent of state authorizers and 0 percent of university authorizers. Similarly, local authorizers were more likely to prohibit relationships with nonprofits: 15 percent of local authorizers, compared with no states or universities. However, these small differences were not statistically significant.

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[42] For the question about whether they prohibit, allow, or encourage these relationships, the data indicate a high percentage of authorizers reporting "not applicable" (n=30 for for-profit, n=31 for nonprofit). These respondents were not included in the percentages. It is possible that this question was "not applicable" because they did not have any type of policy regarding these agencies.

What roles do EMOs and nonprofits play in their schools? To what extent do authorizers' and schools' perspectives on these relationships differ?

> *Both for-profit management companies and nonprofits played a variety of roles in charter schools, but nonprofits were involved in a wider range of activities than for-profits. In addition, nonprofits were more likely to direct the curriculum and instruction and other programmatic activities of the school. However, schools and authorizers had somewhat different perspectives on the roles of for-profit organizations: schools tended to report that for-profit organizations played a wider variety of roles.*

The roles played by both types of entities—for-profit companies and nonprofit organizations—fall on a continuum, from providing bare-bones financial services to providing comprehensive management and programmatic packages that include financial services, facilities, curricula, and assessments. Currently available data, presented in Exhibit 4-10, do not directly address the comprehensiveness issue. However, these data do indicate a wide variety of roles that these entities might play in charter schools.

Charter schools and authorizers were asked about the roles of both for-profit and nonprofit organizations. In Exhibit 4-10, Column 1 provides schools' responses regarding for-profit organizations, and Columns 2 and 3 provide authorizers' responses regarding for-profits and nonprofits, respectively. As the exhibit indicates, the majority of respondents reported that when these entities were involved with charter schools, they played comprehensive roles in school operations.

Column 1 presents data from schools that had relationships with for-profit entities about the roles that the for-profits played. Comparing Column 1 with the authorizer data in Column 2, the responding schools were more likely to say that the for-profits had a role in various aspects of the charter school operation.

As reported by authorizer respondents, the data suggest that the role of nonprofits was consistently more comprehensive than that of for-profits, particularly for responsibilities such as professional development, regulatory compliance, student services, complying with the terms of the charter, and curriculum and instruction. In contrast, the for-profit organizations generally were involved in the administrative and business side of school operations but less so in programmatic, personnel, or accountability issues and operations.

One possible explanation for this variation in the comprehensiveness of roles is that nonprofits may be more likely to hold a charter directly, making the entity responsible for all aspects of running a school. For-profit organizations, on the other hand, may be more likely to be hired by the group or entity that holds a charter to take on specific, circumscribed aspects of charter school operation. In fact, information from state charter school coordinators presented in the 1999-2000 report indicates that some state charter school laws bar for-profit organizations from receiving a charter. In these cases, the authorizer would not expect to deal with the for-profit organization in roles related to monitoring progress toward charter goals or student progress.

One site visit school had a long-standing relationship with a nonprofit, community-based organization. (Both the school and the nonprofit predated the school's charter status by several years.) The school was one of several programs run by the organization, and the charter enabled the school to obtain public funds while it functioned under the nonprofit's larger umbrella. The for-profit EMO that ran a second site visit school also benefited from the school's access to public funds, but it was not as closely linked to the community as was the nonprofit that worked with the first school.

Exhibit 4-10
ROLES OF FOR-PROFIT AND NONPROFIT ORGANIZATIONS IN CHARTER SCHOOLS, AS REPORTED BY SCHOOLS AND AUTHORIZERS

Role	Column 1 **For-Profit Organizations** Percentage of Schools (n=64)[a]	Column 2 **For-Profit Organizations** Percentage of Authorizers (weighted) (n=21)	Column 3 **Nonprofit Organizations** Percentage of Authorizers (weighted) (n=24)
Providing, leasing, locating capital equipment/facilities	87	86	90
Administering budget	94	85	88
Administering personnel and benefits functions	96	82	84
Providing technical assistance and professional development to charter school staff	94	69	90
Ensuring compliance with state and federal regulations	90	69	80
Providing or brokering student services (e.g., special ed or LEP)	67	68	83
Monitoring progress toward and compliance with terms of the school's charter	91	66	85
Providing seed or start-up funds for the school	73	65	70
Managing the overall operation or administration of the school	74	61	83
Monitoring student performance	68	55	84
Directing the curriculum and instruction of the school	72	49	84
Representing the school in negotiations with the charter school authorizer	78	44	70
Hiring staff	59	31	73

[a] Because of time constraints on the school survey, school respondents were asked only about the role of for-profit companies and not about nonprofits.

In the first round of charter school site visits, several types of relationships with for-profit and nonprofit organizations were documented. In one case, an education management organization served as the school's fiscal agent, landlord, employer, and educational program provider. Members of the school's governing board reported more autonomy than the EMO would have acknowledged the school to have, and it was clear from interviews at the school and the offices of the for-profit agency that the school's fortunes and future were closely tied to the EMO. In another case, a school had a dormant relationship with a nonprofit management company that had not worked with the school in more than a year. The school's principal reported that, even when the relationship was more active, the company had nothing to offer the school and that she relied on the school's authorizer (a nearby school district) for the services she originally had obtained from the management company.

Technical Assistance

In addition to the financial assistance provided through PCSP and the support and services provided by authorizers, for-profit companies, and nonprofit organizations, charter schools receive technical assistance from various sources. This section provides a brief examination of the sources of assistance to charter schools.

From what sources do charter schools receive technical assistance?

Charter schools received assistance from a wide range of sources, including local, state, and federal entities. The majority of charter schools received technical assistance from their state education agencies and their authorizers. Many schools also received assistance from a charter school network, parents, and other charter schools.

Charter schools receive information and assistance from a variety of sources. Exhibit 4-11 indicates the percentage of schools that received technical assistance from each type of source listed. Eighty-two percent received assistance from their authorizers. Other common sources of assistance were the state education agency (87 percent), a charter school network or information center (74 percent), parents or community members (74 percent), and other charter schools (68 percent). More than half of the schools received technical assistance from the following sources: a county or regional education agency, PCSP staff, a national conference or meeting, a university or college, and a business or private company.

Exhibit 4-11
SOURCES OF TECHNICAL ASSISTANCE TO CHARTER SCHOOLS

Source of Assistance	Percentage of Schools (n=369)
State education agency or SEA Web site	87
School's charter authorizer	82
Charter school network or information center	74
Parents or community members	74
Other charter schools	68
County or regional education agency	59
Staff of Public Charter Schools Program, the U.S. Charter Schools Web site maintained by the U.S. Department of Education, or other Department of Education Web sites	58
National Charter Conference or Federal Grantee Meeting	58
University or college	56
Business or private company	52
Community agency	48
School district other than authorizer	33
Other	28

According to the 1998-99 data from charter schools, the five most likely sources of technical assistance to schools were parents or community (71 percent), SEA (70 percent), charter network (60 percent), other charter schools (52 percent), and school district (51 percent). Higher proportions of schools were accessing technical assistance in 2000-01, particularly assistance from state education agencies, authorizers, and charter school networks. The PCSP was not among the five most common sources of technical assistance cited by respondents in either 1998-99 or 2000-01.

Overall, sources of technical assistance reported in 2000-01 were unrelated to the type of authorizer that awarded the school's charter, although there was one exception. Schools authorized by non-local entities were more likely than schools authorized by local entities to report receiving technical assistance from their authorizers.

CHAPTER 5
SUMMARY OF 2000-01 FINDINGS AND NEXT STEPS IN THE NATIONAL EVALUATION OF THE PUBLIC CHARTER SCHOOLS PROGRAM

Data collection and analysis for 2000-01 have provided the study team with additional information and insight into the charter school movement generally and, more specifically, have provided answers for the majority of evaluation questions that guide this study. In this final chapter, major findings from the 2000-01 study are summarized.

Not surprisingly, through the process of illuminating some of these key issues, the study team has gained additional perspective on areas of charter school research, including the complexities of studying student achievement, that require further exploration and investigation in subsequent years of the study. Therefore, this chapter also includes a summary of plans for future inquiry and analysis.

The Charter School Movement

The 1999-2000 Evaluation Report on the Public Charter Schools Program, which was based on information gathered from a purposive sample of charter school authorizers and all state charter school coordinators, provided an initial glimpse into the roles and relationships of charter schools and the entities that authorize them. However, this first report of the National Evaluation of the PCSP did not include original data gathered directly from charter schools. Rather, it relied on secondary analyses of data from the National Study of Charter Schools conducted by RPP International in school year 1998-99.

This second report of the National Evaluation of the PCSP is based, in part, on a survey of a nationally representative, randomly selected sample of charter schools. The report's descriptive data on the general status of the charter school movement cover school year 2000-01. There is thus a one-year gap—school year 1999-2000—in currently available reports on the development of charter schools in the United States. This gap will be filled when data from NCES's 1999 Schools and Staffing Survey become available. Below is a summary of what the study team learned about the state of the charter school movement as of 2000-01.

Types of charter schools and authorizers. An important defining feature of charter schools that is critical to any analysis is the type of school. The majority of charter schools in the 2000-01 sample (76 percent) were newly created, with significantly smaller numbers of schools converted from either existing public schools or existing private schools. Similarly, the type of authorizer is important to understanding the roles and accountability relationships these organizations have with their schools. As specified in individual state charter school statutes, charter schools are authorized by a variety of entities, including local education agencies, state-level education agencies, institutions of higher education, municipal governments, and special chartering agencies formed for the purpose of awarding charters. Although the majority of authorizers in the sample (77 percent) were local entities, the other types of authorizers (states and universities) had chartered a greater proportion of schools.

Grade levels served by charter schools. Charter schools, which tend to be smaller than regular public schools, served a range of grade levels, often in unusual combinations. In general, however, most charter schools served grades K-8; in fact, the proportion of K-8 charter schools grew substantially from school year 1998-99 to 2000-01—from 16 percent of all charter schools to 29 percent. Most charter schools employed classroom-based instruction as their primary educational approach. In addition, community service, multi-aged and ungraded classrooms, and use of technology also were widely reported approaches.

Charter school teachers. With respect to the characteristics of teachers in charter schools, the study team found that most teachers were certificated for the subjects or grade levels they taught. Charter school teachers, like teachers in most public schools, were predominantly white. Beyond demographic characteristics, this study examined the extent to which charter school teachers had access to professional development, an important activity that enables teachers to develop their knowledge and skills. According to charter school leaders, a large proportion of teachers in charter schools had access to professional development opportunities, including workshops, release time to work with colleagues, and professional conferences.

Charter school students and parents. Charter schools were serving diverse populations of students. On average, more than half of the students in charter schools were members of ethnic minority groups, 12 percent received special education services, and 6 percent were English language learners. Interestingly, charter schools often targeted different populations of students than they actually attracted. For example, a relatively small proportion of schools targeted special education, gifted and talented, or low-performing students, but large proportions of respondents indicated that these groups were attracted to their schools.

More than half of the charter school respondents believed that particular features of their schools were powerful in attracting parents and students, including:

- Small school size
- Small classes
- A safe environment
- The quality of the academic program
- High achievement standards
- A specialized curriculum focus.

Parent involvement also is a key component of the charter school movement, and most charter schools reported that parents were involved in a wide variety of activities, although certain activities (e.g., recruiting new students, fund-raising) were more common in new schools than in conversion schools. Furthermore, from the perspective of charter school directors, parental satisfaction generally was high.

Charter school authorizers. The agencies that approve and monitor charter schools, are another important aspect of the charter school movement. The study team explored what motivated authorizers and found that authorizers tended to charter schools to create alternatives for students and parents, to stimulate the development of schools that address particular student needs, and to make a school or program available to more students. Authorizers frequently had limited capacity to serve their schools, with few staff assigned to provide assistance. This is a particularly important issue for authorizers responsible for overseeing a relatively large number of schools. Like schools, charter authorizers faced a number of challenges or obstacles, the main ones being:

- Inadequate finances
- Politics
- A lack of clarity around state charter laws and other laws and policies affecting charter schools.

The Multiple Levels of Charter School Accountability

The emphasis on data from charter schools and authorizers in 2000-01 allowed the complexities and dynamics of the important school-authorizer relationship to come into greater focus. Accountability is a key ingredient of that relationship that was explored in depth in this report.

The first stage in the charter school-authorizer accountability relationship involves the application and charter approval process. In this stage, authorizers determine whether to accept or deny a charter proposal. Most charter school authorizers have established a variety of formal procedures to regulate the charter application process, from public hearings to regular deadlines for submission. Local authorizers and authorizers that charter few schools tended to have fewer procedures than states or other authorizers that received many applications annually. When charter denial occurred, authorizers reported that schools were denied primarily because of weaknesses in the areas of:

- Governance, management, and finances
- Curriculum and instruction.

The second stage of the accountability relationship is the ongoing monitoring of charter schools. Charter schools and authorizers had somewhat different perspectives on the monitoring process. Charter schools reported that they were most closely monitored by their own governing boards, followed by their authorizers. *Slightly more than half* of the school respondents indicated that their authorizers monitored their progress in the areas of:

- Performance on state student assessments
- Compliance with regulations
- Financial record keeping
- Special education services.

In contrast, the authorizers reported that, on average, they monitored these same areas—with the exception of special education services—in *nearly all* of the schools that they chartered. The primary components of charter school monitoring included the tracking of measurable goals listed in the charter and data from required student performance assessments. Most charter schools and authorizers reported that their charters did contain measurable goals, particularly in the areas of student achievement and attendance. In terms of assessment, charter schools reported that they used both norm-referenced tests and criterion-referenced tests. Although a majority of schools also reported that they used student demonstrations of work and student portfolios in assessing the school's success, these assessments tended not to be monitored by the authorizer or the state.

The final stage of the accountability relationship is the imposing of sanctions. Charters are approved for a specific term, generally from three to five years. Thus, the charter renewal is the logical point at which a charter authorizer takes stock of how its schools are doing. However, only approximately a third of charter schools have been through the renewal process, with many more schools eligible for renewal over the next two years. Of those charters that have come up for renewal, most schools have been renewed. So far, state authorizers have been more likely to make nonrenewal determinations than other types of authorizers, but state authorizers also tended to be monitoring much larger numbers of schools.

Nonrenewal and revocation of charters tended to be related to problems in the areas of finances and management, rather than student performance. However, nonrenewal is not the only sanction used by authorizers. Some authorizers have imposed lesser sanctions, such as placing a school on probation or preparing written documentation of concerns. As with nonrenewals and revocations, few schools have received such warnings. When the lesser sanctions have been applied, they have been linked to the same concerns (finances and management) that lead to nonrenewal and revocation.

Flexibility and Control: The Contrasting Perceptions of Charter Schools and Charter School Authorizers

In assessing the extent to which charter schools exercise the flexibility afforded them, it is important first to determine how many charter schools are actually granted freedom from laws and regulations that apply to regular public schools. In fact, 2000-01 data reveal that fewer than half of all charter schools were eligible to depart from the laws and regulations that applied to noncharter public schools. Among those charter schools that were eligible to depart from laws and regulations, freedom from teacher certification and contracts requirements was cited as "most important" to their operations. Regarding federal regulations, a particular concern of this study, the majority of charter schools did not find federal regulations to be problematic. Those respondents who cited federal regulations as a barrier viewed special education rules and regulations as the most problematic area.

In general, charter schools had the greatest amount of authority over the day-to-day operations of the school. In fact, with the exception of teacher certification, a majority of charter schools reported full authority on all key issues. Interestingly, a higher proportion of newly created schools than of conversion schools reported full authority. Public school conversions, in particular, may have greater difficulty in breaking free of established dependencies or may even be reluctant to do so. For the most part, both schools and authorizers held similar perceptions regarding the areas over which charter schools had authority, but authorizers reported that the charter schools had more authority than the schools themselves reported.

The authority relationships experienced by many charter schools are actually more complex than just the school-authorizer dyad. In fact, many schools reported that they shared decision-making authority with other agencies. Depending on the area of authority in question, charter schools may share authority with multiple entities, including states, authorizers, education management organizations, and other agencies. Overall, however, schools reported that authority was shared mostly with their authorizers and, to a lesser extent, with state education agencies.

Charter Schools and Support from External Agencies

The question of which entities provide financial and technical support to charter schools is important to understanding the charter movement. In general, charter schools receive support from a wide variety of sources, including federal and state agencies, charter school authorizers, and, in some cases, for-profit and nonprofit organizations.

A source of financial support at the federal level is the Public Charter Schools Program, which provides charter school planning, implementation, and dissemination grants. Fewer than two-thirds of operating charter schools reported that they had ever received PCSP funds. Some interesting trends with respect to distribution of PCSP funds were evident. For example, schools authorized by state boards of education were more likely than those authorized by other entities to receive PCSP funds.

Of those schools that reported that they had received PCSP funds, most reported that the money allowed them to do things that they otherwise might not have been able to do. More than half reported that PCSP funds allowed their school to either open or stay open. These findings indicate that the PCSP is providing important financial assistance to schools. Still, according to school leaders, the greatest barrier to charter school operations continued to be lack of adequate finances.

Authorizers also serve as a source of support to charter schools, primarily by offering their schools direct technical assistance, professional development, and staff training. Some authorizers also provide direct monetary or in-kind support or help their schools obtain these types of support

and assistance from external groups. Beyond assistance, many authorizers provide specific services to their schools, from payroll and purchasing to special education services. The various services and assistance provided to schools have resulted in a number of different financial arrangements to cover the costs incurred by authorizers. Some authorizers retain a percentage of per pupil funds; others have a fee-for-service arrangement, depending on the type of assistance or service provided. However, many of the services rendered to charter schools by their authorizers are provided at no cost to the schools.

Relationships with for-profit education management organizations (EMOs) and nonprofit organizations are a source—albeit more limited—of support to some charter schools. Media reports give the impression that the role of these groups, particularly for-profit companies, is relatively large and growing. However, fewer than one-third of charter schools reported having relationships with either for-profit or nonprofit organizations, even though the majority of charter school authorizers allowed the involvement of these organizations in schools. In general, local authorizers were less likely to permit either type of organization to have a management or other type of relationship with their schools. Although for-profit management companies and nonprofits played a variety of roles in charter schools, nonprofits were involved in a wider range of activities than for-profits, according to authorizers. For example, nonprofits were more likely to direct the curriculum and instruction and other programmatic activities of the school. In comparison with authorizers, charter schools tended to report that for-profit organizations were more extensively involved in various aspects of charter schools' operations.

Finally, charter schools reported receiving additional assistance and information from a wide range of sources, including local, state, and federal entities. The majority of charter schools received technical assistance from their state education agencies and their authorizers. In addition, many schools received assistance from a charter school network, parents, and other charter schools.

Next Steps for the National Evaluation of the Public Charter Schools Program

During the period covered by this report, the National Evaluation of the Public Charter Schools Program had completed two rounds of data collection, analysis, and reporting. The third and final report will cover evaluation activities for school year 2001-02, which will include the following components:

- **Telephone survey of charter schools.** As in the case of the 2000-01 survey, a random sample of 600 charter schools will be drawn for the 2001-02 survey. In response to issues identified in the 2000-01 data collection and by the study's Technical Work Group, the 2001-02 instrument will be revised slightly and shortened.
- **Telephone survey of charter school authorizers.** As in the case of the 2000-01 survey, a stratified random sample of 150 charter school authorizers will be drawn for the 2001-02 survey. A slightly revised and shortened version of the 2000-01 survey will be administered in 2001-02.
- **Telephone survey of state charter school coordinators.** No survey data were collected from this population in 2000-01, but the instrument to be administered in 2001-02 was cleared by OMB in November 2000. In conjunction with the 2001-02 state survey, the team will attempt to get updated information about PCSP subgrants awarded by each state that has received PCSP grants from the Department of Education.
- **Site visits.** The team continues to visit charter schools and their authorizers. A total of 12 schools will have been visited by the end of calendar year 2001. Repeat visits will be made to most of these 12 schools during the spring of 2002.

- **Secondary analyses of the 1999-2000 Schools and Staffing Survey (SASS) data.** The team will analyze the 1999-2000 SASS data set, which included a purposive supplemental sample and survey of all charter schools in operation during fall 1999. Results of this analysis will be reported in the final evaluation report.
- **Substudy of student performance in charter schools.** The study team is revising the evaluation questions on student performance in charter schools and will obtain and conduct analyses of student performance data once the design and analysis plans are accepted by the Department of Education.

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